ASSEMBLY OF REPUBLIC OF MACEDONIA

Pursuant to Article 75 paragraph 1 and 2 of the Constitution of Republic of Macedonia, the president of Republic of Macedonia and the president of the Assembly of Republic of Macedonia hereby issue the following:

DECREE
ON PROMulgATION OF THE LAW ON PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

The Law on Prevention of Money Laundering and Financing of Terrorism adopted by the Assembly of Republic of Macedonia on the session held on September 1, 2014 shall be promulgated.

Бр. 07-3281/1
September 1, 2014
Skopje

President of Republic of Macedonia,
Gjorge Ivanov PhD

President of the Assembly of Republic of Macedonia,
Trajko Veljanovski,

LAW ON PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

GENERAL PROVISIONS

Article 1
(1) This law shall determine the measures and activities for detection and prevention of money laundering, associated predicate offences and financing of terrorism (hereinafter: money laundering and financing of terrorism).
(2) This law shall determine the competence of the Financial Intelligence Office (hereinafter: the Office).

Definitions

Article 2
Certain terms used in the law shall have the following meaning:
1. “Money laundering” shall be activities envisaged in the Criminal Code as criminal offense – money laundering and other proceeds of crime;
2. “Financing of terrorism” shall be activities envisaged in the Criminal Code as criminal offense – financing of terrorism;
3. “Proceeds of crime” shall mean any property or benefit, directly or indirectly, acquired by committing criminal offense. The proceeds of crime shall also include proceeds of criminal offense committed abroad, if at the time it was committed it was determined as a crime by both
laws in the state where it was committed and in Republic of Macedonia.

4. “Associated predicate offence” shall be a crime which generates proceeds which can be subject of activity of the criminal offence money laundering;

5. “Property” shall mean money or other payment instruments, securities, deposits, other property of any kind such as tangible or intangible, movable or immovable, regardless of the manner of acquisition as well as other rights over objects, claims, public and legal documents for ownership and assets in written or electronic form, or instruments that prove the right of ownership or interest for that property;

6. “Financial institutions” shall be:
- banks, in accordance with the Law on Banks;
- exchange offices in accordance with the Foreign Exchange Law;
- saving houses in accordance with the Law on Banks;
- brokerage houses in accordance with the Law on Securities;
- fast money transfer services providers and subagents in accordance with the Law on Fast Money Transfer;
- post offices or other legal entities which perform financial transactions, telegraphic transfer of money or delivery of valuable shipments;
- insurance companies, insurance brokerage companies, companies for representation in insurance, insurance brokers and representatives of insurance performing works of life insurance, i.e. performing representation or mediation in insurance in concluding life insurance agreements in accordance with the Law on Insurance Supervision;
- investment funds management companies in accordance with the Law on Investment Funds;
- mandatory and voluntary pension funds management companies in accordance with the pension insurance regulations;
- and other legal entities and natural persons that pursuant to a law perform one or more activities related to credit approvals, electronic money issuance, credit cards issuance and administration, financial leasing, factoring, forfeiting, providing services of investment advisor, mediation in micropayment and other financial activities determined by law;

7. “Client” shall mean any legal or natural person who has established a business relationship and/or is registered at the entity and who performs works related to investment, crediting, exchange, transfer and other money transactions, or participates in concluding legal matters on acquiring money or property and other forms of disposing with money or property;

8. “Money” shall be means of payment in cash, in denominations or electronic money, which, according to the law, are in circulation in Republic of Macedonia or in a foreign country;

9. “Electronic money” shall mean money in accordance with the Law on Payment Operations;

10. “Physically transferrable means of payment” shall mean traveller’s checks, checks, promissory notes, money orders and other physically transferrable means of payment that are paid to a bearer or transferrable without restriction.

11. “Beneficial owner” shall be natural person who ultimately owns or controls the client and/or the natural person in whose name and on whose behalf the transaction is being conducted; A beneficial owner of a legal entity shall be a natural person who:
   a) has direct or indirect share of at least 25% of the total stocks or shares, i.e. of the voting rights of the legal entity, including possession of bearer shares and/or
   b) otherwise exercises control on the management of or gains benefits from the legal entity;

12. “Services providers to legal entities” shall be natural entities or legal entities who provide services for:
   a) establishing legal entities;
   b) hiring or assisting other person to be hired as management body or member of the legal
c) providing registered office to the legal entity, and
d) hiring or assisting other person to be hired as shareholder or stakeholder for other person which is not a trade company listed on the stock market;

13. “Holders of public functions” shall be natural persons who are not citizens of Republic of Macedonia, who are or have been entrusted with public function in Republic of Macedonia or in other state, such as:
   a) presidents of states and governments, ministers and deputy or assistant ministers,
   b) members of parliament,
   c) elected and appointed public prosecutors and judges in the courts,
   d) members of management bodies in state audit institution and members of the highest board of central bank,
   e) ambassadors,
   f) high rank officers in armed forces (ranks higher than colonel),
   g) elected and appointed persons pursuant to law and members of the management bodies of state-owned enterprises,
   h) persons holding functions in political parties (members of the political parties’ bodies) and
   i) persons who are or have been entrusted with prominent function in international organization, such as: directors, deputy directors, members of management and supervisory boards or other equivalent functions;
   The term “holders of public functions” shall also include:
   a) family members in accordance with the Family Law, and
   b) persons who are considered as close associates:
      - business partners (any natural person for who is known to have joint ownership of a legal entity, has concluded agreements or established other close business relations with “holder of public function”), and
      - persons who established legal entity for the benefit of the holders of public functions.
   The persons under the items a) to i) shall be considered as holders of public functions for at least one year after the termination of the public function, based on previously conducted risk assessment by the entities;

14. “Business relationship” shall mean a professional or commercial relationship with certain duration established between the client, principal or the beneficial owner and the entities under Article 3 of this law;

15. “Provisional measures” shall mean temporary prohibition of use or disposal with money, securities, funds or other property, temporary storage and security based on decision issued by court or other competent authority in a procedure determined by law;

16. “Related transactions” shall mean two or more transactions executed within one business day from the execution of the first transaction by same client or between same clients or beneficial owners related to a same kind of financial activities;

17. “Programme” shall mean an act of the entity which determines rules, procedures and guidelines for application of measures and activities for prevention of money laundering and financing of terrorism;

18. “Responsible person” shall mean the person responsible in accordance with the Law on Misdemeanours;

19. “Authorized person” shall be managing person, appointed by the entity’s managing body, who ensures the implementation of the measures and activities for prevention of money laundering and financing of terrorism and cooperation with the Financial Intelligence Office;

20. “Shell bank” shall be a financial institution which has no business premises, employees and managing bodies in the country it is registered in, and is not a member of banking or other
type of group which is subject to supervision on consolidated basis;
21. “Transactions” shall be payments, disbursements, deposits, currency exchange, money transfers, conclusion of agreements, procurement and sale of goods and services, sale and assignment of founding investments, sale and assignment of stocks and shares, registration of securities or transfer of securities or other property and other activities carried out by the entities in accordance with the legal authorisations, which are used to transfer money or property in a single transaction or within the scope of a concluded agreement.

ENTITIES

Article 3
Entities shall be the persons obliged to undertake the measures and activities for prevention of money laundering and financing of terrorism provided by this law (hereinafter: entities), such as:
1. Financial institutions and subsidiaries, branch offices and business units of foreign financial institutions performing activity in Republic of Macedonia in accordance with law;
2. Legal entities and natural persons who perform the following services:
   a) real estate trading,
   b) audit and accounting services,
   c) notary public’s, attorney’s and other legal services which refer to: sale and purchase of movable objects, real estate, shares or stocks, money and securities trade and management, opening and disposing with bank accounts, safe-deposit boxes and other financial products, establishing or participating in legal entities’ management and operation, representation of clients in financial transactions etc.
   d) providing advice in the field of taxes;
   e) providing consulting services, and
   f) providing services of investment advisor.
3. Organizers of games of chance in gaming house (casino);
4. Internet casinos;
5. Services providers for legal entities;
6. Central securities depositary, and
7. Legal entities who receive movable objects and real estate as pledge.

MEASURES AND ACTIVITIES FOR DETECTION AND PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

Article 4
Measures and activities for detection and prevention of money laundering and financing of terrorism (hereinafter: measures and activities), undertaken by the entities shall be:
- client due diligence,
- monitoring of certain transactions,
- collecting, keeping and submitting data about the transactions and clients that perform them, and
- introduction and application of programmes.

Article 5
(1) The obligation for undertaking measures and activities provided for in this law shall also exist in case when the entities are in procedure for bankruptcy and liquidation.
(2) The obligation under paragraph (1) of this Article shall be performed by the bankruptcy trustee until completion of the bankruptcy procedure or liquidator until completion of the
Client due diligence

Article 6
The entities shall be obliged to conduct a procedure for client due diligence in the following cases:

a) when establishing business relationship;
b) when executing one or more related transactions in the amount of EUR 15,000 or more in denar equivalent;
c) when there is suspicion for money laundering or financing of terrorism, regardless of any exception or amount of assets, and
d) when there is a suspicion for the veracity or adequacy of previously received data for the client’s identity.

Article 7
(1) The client due diligence procedure under Article 6 of this Law shall include:

a) identification of a client and verification of his/her identity using documents, data and information from reliable and independent sources;
b) identification of the principal and verification of his/her identity using documents, data and information from reliable and independent sources;
c) identification of beneficial owner and undertaking reasonable measures to verify his/her identity, such that the entity is satisfied that it knows who the beneficial owner is, by using documents, data and information from reliable and independent sources;
d) obtaining information on the purpose and intended nature of the business relationship, and

e) ongoing monitoring of the business relationship and the transactions undertaken throughout the course of the established business relationship with the client, to ensure that these transactions are consistent with the client’s risk profile and business, including, where necessary, the sources of funds.

(2) When the client is a legal entity, the entity shall be obliged to undertake measures in order to determine the nature of its business activity and the ownership and management structure of that client.

(3) The entities shall apply each measure of the client due diligence procedure, and its volume depends on the risk assessment of the client, business relationship, product and transaction.

(4) The entities shall perform a risk assessment based on an internal risk assessment procedure which is an integral part of the programme, and based on the indicators prepared by the Office in cooperation with the entities and supervisory bodies.

(5) The entities shall be obliged to make available the risk assessment documents to the Office and the supervisory bodies in order to verify that the determined risk of money laundering and financing of terrorism is appropriate and that the volume of the undertaken measures is in accordance with the risk of the client, business relationship, product and transaction.

Identification and verification of the identity of the client

Article 8
(1) When the client is a natural person, he/she shall be identified and his/her identity shall be verified by submission of original and valid identification document, issued by a competent authority or a copy certified by a notary public.

(2) The name, surname, date and place of birth, place and address of living or residence,
personal identification number or identification number, number of the identification document, the issuing body and the date of validity shall be determined from the document under paragraph (1) of this Article.

(3) When the client is a legal entity, it shall be identified and its identity shall be verified with an original document for registration or a copy certified by a notary public, issued by a competent authority of the state in which the legal entity is registered. The registration document shall be submitted in paper and/or electronic form. The registration documents issued by a competent authority of a foreign country should be translated into Macedonian language by certified court translator.

(4) The name, seat, tax identification number of the legal entity, founder/s, legal representative, managing body and the persons authorized for entering into business relationship on behalf of the client shall be determined from the document under paragraph (3) of this Article.

(5) The entities shall keep a copy in paper and/or electronic form, from the documents under paragraphs (1) and (3) of this Article, for identification purposes.

(6) The entities may also ask for other data, information and documents from reliable and independent sources in order to verify the client’s identity.

Identification and verification of the identity of the principal

Article 9

(1) The entities shall be obliged to determine whether the client acts on behalf of a third person.

(2) The entities shall be obliged to identify and verify the identity of the person who executes the transaction (proxy), holder of rights (principal) and the power of attorney in cases under paragraph (1) of this Article.

Identification and verification of the identity of the beneficial owner

Article 10

(1) The entities shall be obliged to identify the beneficial owner and on the basis of the risk assessment to verify his/her identity based on data and information from reliable and independent sources.

(2) The entities should verify the beneficial owner’s identity in order to be satisfied who the beneficial owner is.

(3) When the entity determined low risk from money laundering and financing of terrorism and undertook all activities for identification of the beneficial owner in accordance with Article 7 of this Law, but is not satisfied that it knows the person who is the beneficial owner, it may take a statement from the client and perform the verification of the identity based on data from reliable and independent sources.

(4) The entity may not identify and verify the identity of the beneficial owner if the client or the owner of the controlling interest is a state authority or legal entity whose securities are listed on domestic or foreign stock exchange and the data for their ownership and management structure are publicly available.

Article 11

(1) The entities shall be obliged to perform verification of the identity of the client, principal or beneficial owner before establishing a business relationship or before executing transaction for clients with whom the entity has not established a business relationship.

(2) By the way of derogation from paragraph (1) of this Article, the entities may verify the
identity of the client, principal or the beneficial owner during establishing a business relationship in order not to interrupt the normal conduct of the business relationship and when there is a low risk of money laundering and financing of terrorism.

(3) By the way of derogation from paragraphs (1) and (2) of this Article, in the matters related to life insurance, the verification of the identity of the client, principal or the beneficial owner is allowed to be performed after the establishment of the business relationship. In this case, the verification of the identity should be performed before or during the payment of the insurance policy, or before or when the client is intending to exercise the rights arising from the policy.

Ongoing monitoring of the business relationship

Article 12

(1) The entities shall be obliged to monitor the transactions performed within the business relationship with the client, in order to confirm that those transactions are performed in accordance with the purpose and the intention of the business relationship, the client’s risk profile, his/her financial standing and of his/her source of funds, if necessary.

(2) The entities shall be obliged to perform a regular update of the documents and data for the existing clients with whom they have established a business relationship.

Article 13

(1) The financial institutions shall be obliged in case of a payment of an amount exceeding EUR 1,000 in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day of payment, for the purposes of wire transfer via the international payment operations, to provide data for the originator from which his/her identity may be determined and verified, such as: name and surname, i.e. the name of the originator, address and account number. If the data for the address is missing or may not be determined, the financial institution may replace them with: the date and place of birth or the personal identification number of the client or the identification, i.e. the reference number of the transaction.

(2) The financial institutions shall be obliged in case of a payment of an amount that exceeds EUR 1,000 in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day of payment, for the purposes of wire transfer via the domestic payment operations, to provide data for the originator from which his/her identity may be determined and verified. If due to technical reasons, the provided data may not be accompanied, only the data for the account number or the identification number shall be accompanied.

(3) The financial institutions under paragraph (2) of this Article, on request of the financial institution that should execute the payment, or the competent authorities, shall be obliged to make available the data under paragraph (1) of this Article within three business days from the delivery of the request.

(4) The financial institutions that appear as mediators in the wire transfer for amounts exceeding EUR 1,000 in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day of the transfer, in the international payment operations, shall be obliged to accompany the data for the originator under paragraph (1) of this Article to the financial institution that will perform the transfer payment.

(5) In performing payment of wire transfers in the international payment operations in an amount exceeding EUR 1,000 in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day of payment, the financial institutions shall be obliged to provide data from the originator’s financial institution from which the
originators identity can be determined and verified, and within their internal acts to set the manner on which they will determine whether a part of the data under the paragraphs (1), (2) and (4) of this Article is missing and the manner of handling such transfers. The entities should request for the missing data or to reject the transfer.

(6) The financial institutions may limit or terminate the business relationship with the financial institutions that do not provide or accompanied the data provided for in paragraphs (1), (2), (4) and (5) under this Article.

(7) The provisions under this Article do not refer to the following kinds of transfers:
- using cards for withdrawing assets from bank account or POS terminals and payments in retail,
- transfers and settlements in which the originator and recipient are banks that execute the transfer in their name and for their own account, and
- tax payments, fines and other public duties.

Reliance on third parties

Article 14

(1) In cases when the entities implement the measures under Article 6 of this Law, they, under the terms provided for in this Law, may rely on third parties to perform the measures and activities under Article 7 paragraph (1) items a), b), c) and d) from this Law.

(2) In the cases under paragraph (1) of this Article, the entities relying on third party should:

a) immediately obtain the necessary information in accordance with Article 7 paragraph (1) items a), b), c) and d) of this Law;

b) to provide the required documentation for the performed client due diligence, upon their request, without any delay, and

c) to determine that the third party is licensed and is subject of control by a competent authority and fulfils the measures for client due diligence and record keeping in accordance with this Law.

(3) The entities may assign the execution of the measures and activities under Article 7 paragraph (1) items a), b), c) and d) of this Law to third parties from same financial group, if the financial group applies the requests for client due diligence, record keeping and internal programmes for prevention of money laundering and financing of terrorism, enhanced due diligence of the holders of public functions pursuant to the international standards.

(4) The entity shall be obliged to previously check whether the third party under paragraphs (1) and (3) of this Article meets the terms under Article 7 of this Law. In case when the third party is from other country, the entity should take into consideration the level of risk of money laundering and financing of terrorism in the country. The performance of measures and activities under Article 7 paragraph (1) items a), b), c) and d) of this Law shall not be assigned to a third party who originates from country which does not apply the standards for money laundering and financing of terrorism or to a shell bank.

(5) The responsibility for implementation of the measures for client due diligence in the cases under paragraph (1) of this Law, shall remain to the entity relying on third party in the performance of the measures and activities under Article 7 paragraph (1) items a), b), c) and d) of this Law

Simplified client due diligence

Article 15

(1) The entities may apply simplified measures for client due diligence in the cases where
they determined that there is low risk of money laundering and financing of terrorism.

(2) The entities, in the cases under paragraph (1) of this Article, may apply simplified measures for client due diligence when the clients are:
- financial institution in Republic of Macedonia which is licensed by the competent authority and has established adequate measures for prevention of money laundering and financing of terrorism;
- financial institution form European Union member-state which is established and operates in accordance with the legal regulations of the European Union;
- financial institution from third countries in which the regulations provide for at least the same requirements for undertaking measures for prevention of money laundering and financing of terrorism, as the requirements defined by this Law;
- domestic state bodies;
- public enterprises established in accordance with the Law on Public Enterprises, if the data about them and their audit and accounting reports are publicly available and transparent;
- holders of life insurance policies in which the annual premium does not exceed EUR 1,000 in denar counter value or the individual premium does not exceed EUR 2,500 in denar counter value;
- holders of pension insurance policies where there is no condition for transmission and the policy cannot be used as a pledge;
- legal entities whose shares are subject to trading on regulated capital markets, members of countries from the European Union or third countries whose requirements are the same as the ones of the European Union’s member-states.
- legal entities from European Union member-states which are established and operate in accordance with the legal regulations of the European Union, and if the registration data and their audit and accounting reports are publicly available and transparent.

(3) The measures of simplified client due diligence shall be as follows:
- client’s or beneficial owner’s identity verification after the establishment of the business relationship;
- reducing the frequency of updating the clients’ documents and data;
- reducing the degree of ongoing monitoring of the client’s business relationship and transactions, and
- determining the goal and intention of the business relationship based on the type of transactions performed by the client.

(4) The entities shall be obliged to provide an appropriate documentation based on which can be verified that the application of the simplified client due diligence under this Article is permitted, and to make that documentation available to the Office and the supervisory bodies.

Enhanced client due diligence

Article 16

(1) In case when there is a high risk of money laundering and financing terrorism determined on the basis of the risk analysis, the entities should apply enhanced client due diligence as addition to the measures for client due diligence provided by this Law, such as:
- provision of additional costs for the client;
- more frequent updating the clients’ documents and data;
- provision of additional data about the nature of the client’s business relationship and transactions;
- provision of additional data about the source of assets and wealth of the client;
- provision of information about the reason of the planned and executed transactions;
- provision of approval by the management board for establishing new business relationship;  
- increased monitoring of the business relationship, and/or  
- requiring the first payment to be made through client’s bank account in Republic of Macedonia.

(2) Except in the cases under paragraph (1) of this Article, when the client is not physically present for the purposes of identification, the entities should undertake one or more of the following enhanced due diligence measures:

a) to determine the client’s identity with additional documents, data or information;

b) additional measures that verify the provided documents or to ask other financial institution from Republic of Macedonia, from member-state of the European Union or country in which the regulations provide for almost the same criteria and standards for prevention of money laundering and financing terrorism as the requirement provided by this Law, to verify the documents, and

c) to require the first payment to be made through client’s bank account in Republic of Macedonia.

(3) When the banks establish correspondent bank relationships with banks for which a simplified due diligence pursuant to Article 15 of this Law is not allowed, they shall be obliged to undertake the following enhanced due diligence measures:

a) to collect sufficient data about the correspondent bank in order to fully determine its activity and establish its reputation and supervision quality;

b) to collect information and on the basis of them to assess the correspondent bank’s system for protection of money laundering and financing terrorism;

c) to provide approval from the management board for establishing new correspondent relationship;

d) to prescribe the mutual rights and obligations precisely, and

e) to determine whether the correspondent bank performs the activities under Article 7 paragraph (1) items a), b) and c) of this Law, to the persons who have direct access to its correspondent accounts in Republic of Macedonia, at least in the extent and on a manner determined by this Law, as well as to determine whether the correspondent bank is ready to provide the data for identification and verification of the client’s and the real owner’s identity to the foreign bank and to deliver them to the bank upon request.

(4) When the entities execute transactions or enter into business relationship with holders of public functions, they shall be obliged to undertake the following enhanced due diligence measures:

a) based on previously established procedure for risk assessment to determine whether the client and/or the owner is/are holder/s of public function or, if it is not possible, to provide a statement given by them;

b) to provide an approval from the management structures for establishing business relationship with the client and/or the real owner adopted by the entities management structure, as well as to provide a consent for extending of the business relationship with an existing client who became a holder of public function;

c) to undertake appropriate measures in order to determine the client’s and/or real owner’s source of assets and wealth who is a holder of public function, and

d) to perform increased monitoring of the business relationship.

(5) The entities shall be obliged to undertake enhanced due diligence measures for transactions and business relationships with natural persons and legal entities from states which have not or insufficiently implemented the measures for prevention of money laundering and financing terrorism. The Office shall regularly publish the list of states which have not or insufficiently implemented the measures for prevention of money laundering and financing terrorism on its official webpage.

(6) The Government of Republic of Macedonia, on proposal of the Anti-Money Laundering Council, shall adopt a decision on application of enhanced due diligence measures or termination
of a business agreement with clients from states which have not or insufficiently implemented measures for prevention of money laundering and financing terrorism.

Article 17

(1) The entities shall be obliged to pay particular attention to the complex, unusually large transactions or transactions executed in an unusual way, which have no evident economic justification or visible lawful purpose.
(2) The entities shall be obliged to pay particular attention to the business relationships and transactions with civil associations and foundations.
(3) The entities shall be obliged to determine the risk of money laundering and financing terrorism before introducing new technologies or developing technologies, new products, business practices or services.
(4) The entities in the cases under paragraph (3) of this Article should undertake measures appropriate to the determined risk in order to prevent the new technologies, developing technologies, new products, business practices or services to be used for money laundering or financing terrorism.
(5) The entities shall be obliged to perform analyse of the purpose and intention of the activities under paragraphs (1), (2) and (3) of this Article and to prepare written report about the performed analysis.

Rejection of business relationship and transaction

Article 18

(1) When the client due diligence measures cannot be implemented by the entity, the entity shall be obliged to reject to establish business relationship, not to carry out the transaction or to terminate the business relationship with the client.
(2) In cases under paragraph (1) of this Article, the entity shall be obliged to determine whether there are grounds for suspicion of money laundering and financing terrorism and to submit a report to the Office in accordance with Article 30 paragraph (1) item a) of this Law.

Customs Administration

Article 19

(1) The Customs Administration shall register each and every entry and exit of money and physically transferable assets through the customs line of Republic of Macedonia, if the amount, by law or other regulation, exceeds the allowed maximum.
(2) In the registering under paragraph (1) of this Article, the Customs Administration shall collect data about:
- the identity of the person who, for him/herself or for another person, enters or exits money and physically transferable assets on his/her name and surname, date and place of birth, passport number and nationality;
- the identity of the owner of the money or the physically transferable assets;
- the identity of the real owner;
- the amount and currency of the money and physically transferable assets entered or exited through the customs line;
- origin statement of the money and physically transferable assets, signed by the person who exits or enters them;
- the purpose for entering or exiting the money and physically transferable assets, and
- the place and time of passing the customs line.
(3) The Customs Administration electronically or by telecommunication means (telephone, fax), and in case that is not possible, by other written means shall report the entering and exiting of money or physically transferable assets for payment of over EUR 10,000 in denar counter value, within three business days from the recording at the latest.

(4) The Customs Administration shall declare in written to the Office the entering and exiting money and physically transferable assets regardless the amount, any time when there is a suspicion for money laundering or financing terrorism and within 24 hours from the arising of the suspicion for entering or exiting money or physically transferable assets at the latest.

Currency exchange operations

Article 20

(1) The entities who within its occupation or profession perform currency exchange operations, besides the other measures prescribed by this Law, shall be obliged to determine the client’s identity in accordance with Article 8 of this Law before each transaction which includes an amount that exceeds EUR 500 in denar counter value.

(2) The entities under paragraph (1) of this Article shall be obliged to record the data about the client in chronological order in numeric register signed by the authorized person or other person authorized to sign the register given by a managing person in accordance with the entities' acts.

(3) The form and content of the numeric register under paragraph (1) of this Article shall be prescribed by the Minister of Finance, on proposal of the Office.

Fast money transfer

Article 21

(1) The entities that within its occupation or profession perform fast money transfer, besides the other measures prescribed by this Law, shall be obliged to determine the client’s identity, sender, i.e. the receiver in accordance with Article 8 of this Law before each transaction that exceeds EUR 1,000 or other currency in counter value of EUR 1,000.

(2) The entities under paragraph (1) of this Article shall be obliged to record the data about the client in chronological order in numeric register signed by the authorized person or other person authorized to sign the register given by a managing person in accordance with the entities' acts.

(3) The form and content of the numeric register under paragraph (2) of this Article shall be prescribed by the Minister of Finance, on proposal of the Office.

Organizers of games of chance in gaming house (casino)

Article 22

(1) The organizers of games of chance in gaming house (casino), besides the other measures prescribed by this Law, shall be obliged to identify the client in accordance with Article 8 of this Law, immediately upon entering into the casino and buying or paying chips in the amount that exceeds EUR 500 in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day of buying or paying.

(2) The data under paragraph (1) of this Article shall be maintained in numeric register signed by an authorized person of the organizer of games of chance in gaming house (casino).

(3) The form and content of the numeric register under paragraph (2) of this Article shall be prescribed by the Minister of Finance, on proposal of the Office.
Brokerage houses and banks licensed to operate with securities

Article 23
(1) The brokerage houses and banks licensed to operate with securities shall be obliged to maintain numeric register for the securities trading whose total amount exceeds EUR 15,000 in denar counter value, signed by the authorized person or other person authorized to sign the register given by the managing person in accordance with the acts of the brokerage houses and banks licensed to operate with securities.
(2) The form and content of the numeric register under paragraph (1) of this Article shall be prescribed by the Minister of Finance, on proposal of the Office.

Prohibitions

Article 24
(1) The cash payments, i.e. payment reception of cash or currency exchange in the amount of EUR 15,000 or more, in denar counter value and in the form of one or more related transactions, which is not performed by a bank or saving house, shall be prohibited.
(2) The entities who are authorized by law to register securities, other property or legal matters, or to register or perform money transfer, securities or other property, may perform such registration or transfer only if the client submits a prove that the money transfer over the amount under paragraph (1) of this Article is performed through bank.

Article 25
(1) The financial institutions shall be prohibited to enter into or to extend the business relationship with a shell bank and to begin or continue correspondent business agreement with a bank for which they know that it allows opening and operation with accounts of a shell bank.
(2) The shell banks shall be prohibited to perform any financial activities in Republic of Macedonia.

Article 26
The financial institutions shall be prohibited to open and keep anonymous accounts and account on fictitious names.

Article 27
(1) The financial institutions which have its subsidiaries or branch offices abroad should apply the measures for prevention of money laundering and financing terrorism in the subsidiaries or the branch offices.
(2) In case when the laws of the state in which the subsidiaries or the branch offices under paragraph (1) of this Article have a seat does not allow application of the measures under paragraph (1) of this Article, the financial institutions should immediately inform the appropriate competent authority, in accordance with Article 91 of this Law.

Data storage

Article 28
(1) The entities shall be obliged to store copies of the documents determining and verifying the identity of the client, authorizer and real owner, about the implemented client or real owner due diligence procedures and the realized or attempted transactions, client file and business correspondence, for at least five years following the executed transaction, as of the last
transaction when it comes to several transaction which constitute a whole.

(2) The entities shall be obliged to store copies from the performed due diligence in accordance with Article 17 paragraph (5) of this Law for at least five years from the last transaction or introduction of new technology, business practice, service or product.

(3) The entities shall be obliged to store the data in a manner they delivered to the Office, for at least five years from the date of delivering.

(4) The data about the client with who is established longer business relationship in terms of this Law shall be stored for at least five years from the date of termination of the business relationship.

(5) The Customs Administration shall be obliged to store all data for entering or exiting money and physically transferable assets through the customs line for at least five years from the date of the performed transfer.

(6) The register under the Article 20, 21, 22 and 23 of law Article shall be kept for at least five years since the last recorded data.

(7) The entities shall be obliged to keep copies from the documentation under Article 36 of this Law for at least five years.

(8) In case of termination of the entity’s existence, the obligation for data storage within the term determined in paragraph (1) under this Article shall be transferred to the legal successors of the entity.

(9) If there are no successors of the legal entity, the obligation for data storage under paragraph (1) of this Article shall be transferred to its founders.

(10) The entities shall be obliged to make available the documents under paragraph (1) of this Article on request of the Office or the bodies under Article 91 and Article 98 of this law.

(11) On request of the Office, the entities shall be obliged to store the data under paragraph (1) of this Article longer than five years.

Confidentiality of data

Article 29

(1) The data provided based on this Law shall be confidential and may be used for detection and prevention of money laundering and terrorism financing only.

(2) The delivery of the data under paragraph (1) of this Article to the Office and to the supervisory bodies or the competent law enforcement authorities shall not be deemed as disclosing a business secret.

(3) The entities, persons that manage the entities and their employees must not notify the client or a third person about the delivery of the data to the Office or for the measures and activities for detection and prevention of money laundering and financing terrorism undertaken pursuant to this Law.

(4) The prohibition under paragraph (3) of this Article shall also apply to submission of data to the supervisory bodies or the competent law enforcement authorities.

(5) The entities’ employees and the persons who manage the entities who are obliged to undertake measures for detection and prevention of money laundering and financing terrorism, pursuant to this Law, must not use the personal data from the clients’ files for other purposes, except for implementation of the activities intended for detection and prevention of money laundering and financing terrorism.

SUBMISSION OF THE DATA TO THE OFFICE

Article 30
The entities shall be obliged to submit the collected data, information and documents to the Office in the following cases:

a) when they have suspicions and grounds to suspect that:
   - it has been or was performed money laundering and/or financing terrorism or there was or there is an attempt for money laundering or financing terrorism, regardless the amount of the transaction;
   - the property is a proceed of crime;
   - the property is related to financing terrorist act, terrorist organization or terrorist or person who finance terrorism;

b) in case of cash transaction in the amount of EUR 15,000 or more, in denar counter value, and

c) in case of related cash transactions in the amount of EUR 15,000 or more in denar counter value.

The entity shall be obliged to submit to the Office the data, information and documents within 24 hours in the form of a report regarding the suspicion under paragraph (1) item a) of this Article.

If the Office will not notify the entity about any further activities within the deadlines from paragraph (4) of this article, the entity shall perform the transaction.

The entity shall be obliged to immediately notify the Office regarding the suspicions from paragraph (1) item a) of this article and to retain the transaction:

- maximum 2 hours from the notification to the Office, when the grounds for suspicion were detected before the execution of the transaction and
- maximum 4 hours from the notification to the Office, when the grounds for suspicion were detected during the execution of the transaction.

If the submitted data under paragraph (2) of this Article are insufficient, the Office may ask from the entities for additional information and documentation.

The entities shall be obliged to notify, in written, the competent supervisory body under Article 91 and 98 of this Law that they submitted to the Office the report under paragraph (2) of this Article, within three business days from the date of delivery of the report.

The entities shall be obliged to deliver the Office the collected data, information and documents for the performed transactions under paragraph (1) items b) and c) of this Article, within three business days from the date of the performed transaction, in the form of report.

The minister of finance shall prescribe the content of the report from paragraph (7) of this article.

Article 31

The grounds of suspicion under Article 30 paragraph (1) item a) of this Law shall be determined by the entity based on immediate information, list of indicators for recognizing suspicious transactions determined by the Office, the entities and supervisory bodies and the international lists of terrorists and terrorist organizations as well as in accordance with the internal risk assessment acts of the entities.

The Office shall have the obligation to update the indicators lists under paragraph (1) of this Article.

Article 32
(1) The public notaries shall, at the end of the day and in electronic form, submit to the Office the data for composed notary acts, verified private documents and certified signatures on agreements for acquiring property in the amount of EUR 15,000 or more in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day when the notary acts were composed, private documents verified and signatures stated in the agreements certified.

(2) The banks shall, in electronic form, submit to the Office the collected data for paid credits in the amount of EUR 15,000 or more in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day when the credit was paid as well as the collected data about transactions in which loans appear as grounds until the fifth day of the month for the previous month at the latest.

(3) The insurance companies which operate in life insurance shall, in electronic form, submit to the Office the collected data for concluded life insurance policies in the amount of EUR 15,000 or more in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day when the insurance policy was concluded until the end of the day.

(4) The legal entities and natural persons whose activity is vehicles sale and purchase shall, in electronic form, submit to the Office the collected data about the concluded contracts for sale and purchase of new vehicles in the amount of EUR 15,000 or more in denar counter value according to the middle exchange rate of the National Bank of Republic of Macedonia on the day when the contract was concluded, until the end of the day.

(5) The Minister of Finance, on proposal of the Office, shall prescribe the content of the data under the paragraphs (1), (2), (3) and (4) of this Article and the manner of electronic submission to the Office.

Article 33

(1) The transactions reports under Article 30 paragraph (2) of this Law shall be submitted to the Office electronically or by telecommunication means (telephone, telefax), and in case this is not possible, by other prescribed means.

(2) The reports submitted by telephone should be confirmed with telefax, electronic or other written document within three business days from the day of their submission.

(3) The Office must not disclose the identity of the employee at the entity who submitted the report, except in cases when there is suspicion that the employee or the entity committed an offence money laundering and/or financing terrorism, upon written request by the competent court when it is necessary to determine facts in a criminal procedure. The Minister of Finance shall prescribe the content of the reports under paragraph (1) of this Article.

Programmes

Article 34

(1) The entities shall be obliged to prepare the programmes under Article 4 indent 4 of this Law which contain and provide:
- client acceptance procedures;
- client due diligence procedures;
- procedures for risk analysis and indicators for risk analysis;
- procedures for risk assessment of public function holder;
- procedures for recognition of unusual transactions and suspicion for money laundering and financing terrorism;
- procedures for data and documents storage and submitting reports to the Office;
- plan for continuous training of the entity’s employees in the field of prevention of money laundering and financing terrorism that provides realization of at least two trainings during the year;
- data about the authorized person;
- manner of cooperation with the Office, and
- procedure and plan on performing an internal control and audit on implementation of the measures and activities.

(2) The entities shall be obliged to submit to the Office the programmes and the amendments and supplements of the programmes for an insight and opinion.

(3) The banks shall be obliged to put in use or to upgrade the software for automatic data processing in accordance with the Rulebook on Characteristics of the Automatic Data Processing Software, adopted by the Minister of Finance, on proposal of the Office.

Appointement of authorized person and establishment of Prevention of Money Laundering and Financing Terrorism Department

Article 35

(1) The entities shall be obliged to appoint an authorized person.

(2) If the entity employs more than 50 persons, besides the obligation under paragraph (1) of this Article, the entity should also establish a separate department within its operation.

(3) Three persons minimum should be employed in the department, while the number of employees in the department should increase proportionally for one person on every 200 employees.

(4) The employees under paragraphs (1) and (3) of this Article should meet high professional standards determined by the entity and have appropriate knowledge in the field of prevention of money laundering and financing terrorism.

(5) The authorized person shall manage the operation of the department under paragraph (2) of this Article. Due to efficient working of the authorized person and the employees in the department, the entity shall be obliged to meet at least the following conditions:
- Separation of the activities of the authorized person, i.e. the department from the remaining business activities of the entity not related to the activities for prevention of money laundering and financing terrorism and control of the compliance with the regulations;
- independence of the authorized person and the department;
- right to direct access to the electronic databases and timely access to all information needed for uninterrupted implementation of the programme and provisions under this Law, and
- establishment of a direct communication with the entity’s managing bodies, etc.

Obligation for internal control

Article 36

The entities shall be obliged to perform an internal control over the implementation of the measures and activities for prevention of money laundering and financing terrorism at least once a year and to prepare documentation on the findings of the conducted control.

Article 37

The obligations arising from this Law shall not apply to lawyers when they perform defence and representation in a court procedure.
**Exemption of responsibility for reporting and withholding**

**Article 38**

(1) Against the persons or the managing body and the employees in the entities who submitted to the Office information or reports regarding suspicious transactions shall not be initiated any procedure for determining the responsibility for disclosing a business secret.

(2) Against the persons or the responsible persons, the managing body or the employees in the entities who submitted information or reports in accordance with the provisions of this Law, even in case when the procedure following the submitted information and reports did not lead to determining responsibility, i.e. to effective court verdict shall not be initiated any procedure for civil or criminal liability.

(3) Against the officials or the persons, the managing body and the employees in the entities shall not be initiated any procedure for civil or criminal liability due to any tangible or intangible damage as a result of withholding transactions in accordance with the provisions under this Law, unless such withholding have the characteristics of some crime.

**Business secret**

**Article 39**

The reference to a business secret may not be accepted as grounds for refusal to submit information in accordance with this Law.

**FINANCIAL INTELLIGENCE OFFICE**

**Article 40**

(1) For collection, processing, analysis, storage and submission of the data received from the entities which are not obliged to undertake measures and activities for detection and prevention of money laundering and financing terrorism shall be established an Office, as a body of the state administration and within the Ministry of Finance in capacity of legal entity.

(2) The Office shall have the following responsibilities:
- collecting, processing, analysing, storing and delivering data received from the entities pursuant to this Law;
- obtaining financial, administrative and other data and information, necessary to carry out its responsibilities;
- preparing and submitting reports to the competent state authorities always when there is a suspicion for committed offence of money laundering and financing terrorism;
- preparing and submitting a notification to the competent state authorities for any grounded suspicion of committing other offence;
- issuing a written order to the entity by which it temporarily withholds the transaction;
- submitting a request to the competent public prosecutor for proposal on determining provisional measures;
- submitting an order to the entity for monitoring of the business relationship;
- submitting a request for initiating a misdemeanour procedure before the competent court;
- cooperating with the entities under Article 3 of this Law, Ministry of Interior, Financial Police Office, State Foreign Exchange Inspectorate, Securities and Exchange Commission of Republic of Macedonia, National Bank of republic of Macedonia, Agency for Supervision of Fully Funded Pension Insurance, State Commission for Prevention of Corruption and other state authorities and institutions as well as other organizations, institutions and international bodies for combating money laundering and financing terrorism.
- concluding cooperation agreements and exchanging data and information with competent bodies of other countries and international organizations, included in combating money laundering and financing terrorism;
- performing supervision of the entities regarding the application of measures and activities determined by this Law, independently or in cooperation with the supervisory bodies and the commissions stated under this Law.
- initiating initiatives or providing opinion regarding laws and bylaws which refer to prevention of money laundering and financing terrorism;
- assisting in the professional specialization of the authorized persons and employees in the Department for Prevention of Money Laundering and Financing Terrorism within the entities under Article 3 of this Law;
- determining lists of indicators for risk analysis and recognizing suspicious transactions in cooperation with the entities and bodies which supervise their operation;
- planning and implementing trainings for specialization and training of the employees in the Office;
- providing clarification on the application of the regulations for prevention of money laundering and financing terrorism, and
- performing other activities determined by law.

(3) The Office shall perform the matters within its competence pursuant to law, the ratified international agreements governing the prevention of money laundering and financing terrorism.

(4) The Office shall perform the matters in the area of surveillance in accordance with the inspection supervision regulation, unless this law stipulates otherwise.

(5) The personal data collected for the purposes of this Law shall be used in accordance with this Law and personal data protection regulations.

(6) The Office shall prepare a report on the matters within its competence and a working programme for the next year and shall submit them to the Minister of Finance and to the Government of Republic of Macedonia once a year. The Office may also submit other kind of report on a request of the Minister of Finance or the Government of Republic of Macedonia.

(7) The financial resources of the Office shall be provided by the Budget of Republic of Macedonia.

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**Article 41**

(1) The Office shall conduct its responsibilities on the entire territory of Republic of Macedonia.

(2) The seat of the Office shall be in Skopje.

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**Article 42**

(1) The Office’s director shall be appointed and dismissed by the Government of Republic of Macedonia, on proposal of the Minister of Finance following a public announcement, published in three daily newspapers in the entire territory of Republic of Macedonia, one of which shall be a newspaper issued on the language spoken by 20% of the citizens who speak an official language other than Macedonian and shall have a term of four years.

(2) For a director may be appointed person who meets the following conditions:

1) to be citizen of Republic of Macedonia;
2) to have acquired 240 credits according to ECTS or VII/1 level of education;
3) at least five years of working experience;
4) to have an appropriate evidence (certificate), not older than five years, for passed exam in English language, such as:
- TOEFL IBT, 74 points minimum;
- IELTS – 6 points minimum;
- ILEC (Cambridge English: Legal) - B2 level minimum;
- FCE (Cambridge English: First) – passed;
- BULATS – 60 points minimum, or
- APTIS - B2 level minimum, and
5) to have passed the psychological and integrity test.

(3) The director's terms shall terminate: after the expiry of four years from the day of appointing;
- in case of death;
- in case of resignation;
- in case of dismissal;
- in case when he/she is sentenced to imprisonment for committing a crime in duration of at least six months;
- when he/she is imposed with prohibition on performing the activity of manager in the institution by the court, and
- if he lost the business ability.
(4) The director may be dismissed because of:
- illegal operation;
- incompetent performance of the duty of director;
- in case of protracted serious illness which prevents him/her to perform his/her duties, and
- on his/her request;
(5) The director shall manage and represent the Office, organize and provide legal, efficient and professional performance of the Office’s operations, adopt decisions, orders and internal orders, guidelines, plans and programmes, warnings with recommendations and other acts.
(6) The director may authorize an employee in the Office, in case of his/her absence or inability to sign acts under paragraph (5) of this Article.

Article 43

(1) The employees’ job positions in the Office shall be grouped in groups and subgroups in accordance with the Law on Employees in Public Sector:
- administrative officers;
- job positions of authorized officials in the Office, and
- auxiliary technical persons.
(2) The employees in the Office who perform administrative works shall have the status of administrative officers.
(3) For the employees under paragraph (2) of this Article, the categories, levels and titles shall be determined in accordance with the Law on Administrative Servants.
(4) The provisions of the Law on Administrative Servants shall be applied for issues referring to classification, records, employment, promotion, professional development and training, the measuring of the effect and other issues related to the employment of the administrative officers.
(5) The persons employed in the Office, who perform auxiliary technical works shall have the status of auxiliary technical staff.
(6) The provisions under this Law, the Law on Employees in Public Sector and the general employment provisions shall be applied for issues referring to the classification, records, employment and other issues related to the employment of the employees under paragraph (5) of this Law.
Classification of job positions of authorized officials in the Office

Article 44
(1) For the authorized officials in the Office shall be defined the following job positions:
- category A – Managing persons – Financial Intelligence Officers, and
- category B – Financial Intelligence Officers.
(2) The following levels of job positions shall be determined in category A:
level A1 – Head of Sector;
level A2 – Assistant Head of Sector, and
level A3 – Head of Department.
The following levels of job positions shall be determined in category B:
level B1 – Independent Intelligence Officer;
level B2 – Senior Intelligence Officer;
level B3 – Intelligence Officer, and
level B4 – Junior Intelligence Officer.

Article 45
(1) The employees in the Office shall have an official identification badge.
(2) The form, content, manner of issuance, revocation and use of the official identification badge shall be prescribed by the Minister of Finance, on proposal of the director.

Article 46
This law, the Labour Relations Law, Law on Employees in Public Sector and the regulations in the field of health, pension and disability insurance and the General Collective Agreement for the public sector, unless otherwise stipulated by this Law shall be applied for the financial intelligence officers in the Office.

Article 47
(1) Person who besides the general conditions also meets the special conditions defined by this Law and the act on systematization of job positions in the Office may be employed as a financial intelligence officer in the Office.
(2) As a financial intelligence officer may be employed a person who:
- is citizen of Republic of Macedonia;
- is psychophysically healthy (capable) and with the predispositions to perform the works of financial intelligence officer confirmed by certain healthcare institution;
- who has completed appropriate education prescribed by the systematization act, and
- who also meets the special condition prescribed by the systematization act.

Article 48
(1) A financial intelligence officer shall be employed based on public announcement and procedure and under the conditions determined by this Law.
(2) The procedure after the public announcement in the Office may last longer, but not longer than three months.
(3) The Office may employ person by taking over, without publishing a public announcement, from other state authority with his/her consent, on a job position that corresponds to his/her professional preparation, i.e. qualifications in cases when it is imposed by the Office’s need and upon previous opinion given by the Minister of Finance.
(4) The Office’s director shall decide of the selection, based on the qualifications, expertise and knowledge of the applicants.
Article 49

(1) The financial intelligence officer’s employment shall be terminated:

a) upon his/her request;

b) if he/she permanently loses the health and physical ability for performing the duties in the Office as a consequence to disease or decrease of the physical or mental capacities;

c) if he/she does not meet the special conditions under Article 47 paragraph (2) of this Law for employment of a financial intelligence officer;

d) if a disciplinary measure for termination of the employment from the date of receipt of the final decision has been imposed to him/her;

e) if due to serving a prison sentence must be absent from work longer than six months – as of the day of referral to prison;

f) if he/she meets the conditions for pension, pursuant to law, and

g) if he/she is assessed with “unsatisfactory” three times in a row or at least three times in the last five years.

(2) The Minister of Finance shall decide regarding termination of employment.

Article 50

(1) The financial intelligence officers shall be obliged to:

a) perform the working tasks consciously, professionally, efficiently, neatly and timely in accordance with the Constitution, law and other regulations;

b) execute the orders given by the superior manager and to act upon them in accordance with the Constitution, law or other regulation;

c) to respect the prescribed working hours, and

d) use the equipment, given to them in order to carry out their duties, with due care and as a good host in accordance with its purpose, and not to use it for private purposes.

(2) The financial intelligence officers, besides the responsibilities under paragraph (1) of this Article, shall also have the following responsibilities:

a) to perform their work objectively and without influence from political parties, to avoid to be guided by political beliefs, personal financial interests, to avoid the abuse of their authorizations and status and to protect the Office’s reputation;

b) to perfect their knowledge professionally in order to promote the professional requirements with continuous respect and application of the regulations for performance of their official duties;

c) to act in accordance with the Office’s Code of Conduct;

d) to comply with all safety measures in order to avoid endangering their life and health as well as the life and health of the other employees in the Office, and

e) not to use privileges and exemptions, requesting and receiving material or other benefit when fulfilling their official duties.

(3) The financial intelligence officers shall be obliged to operate and store the classified information in accordance with the regulations for the classified information.

(4) The financial intelligence officers shall be obliged to collect, process and store the personal data in accordance with the provisions of this Law and the regulations on personal data protection.

(5) If the financial intelligence officers do not comply with the obligations prescribed in paragraphs (1), (2), (3) and (4) under this Article, they shall be subjected to disciplinary, misdemeanour and criminal responsibility pursuant to law.

Article 51

(1) The Office shall plan, organize and implement trainings for the employees.
(2) The Office shall conclude an agreement in written form which regulates the rights and obligation of the contracting parties with the employee sent to a training whose value exceeds ten average salaries paid in Republic of Macedonia, according to the last month before the employee is sent.

(3) The employee, who will not fulfil the obligation from the concluded agreement under paragraph (2) of this Article, shall be obliged to compensate the costs for the training increased by three times.

Article 52

(1) The financial intelligence officers shall be entitled to salaries, salary compensations and other compensations provided by the Budget of Republic of Macedonia.

(2) The financial intelligence officer, due to complexity of the work he/she performs, shall be entitled to a salary increase of 20% of the principal determined by the act on salary and compensations.

(3) In case of temporary inability to work, occurred during or due to performance of the work and tasks, for the time of absence, the financial intelligence officer shall be entitled to compensation in the amount of the current salary.

(4) The years of service of the financial intelligence officer, in accordance with the regulations for pension and disability insurance, shall be calculated with increased duration, so that the age limit for exercising the right to retirement shall be reduced depending on the increased level of the years of service, by one year for every six years spent on the job positions where 12 months effectively spent at work shall be considered as a service period of 14 months.

(5) The Office shall insure the financial intelligence officers in case of death, body injury or loss of the working ability during execution of the work in their competence.

Article 52-a

The financial intelligence officers during performing their competencies shall have specific rights to enter and have freely access to stations, airports, ports and public parking by presenting the official identification badge.

Article 53

(1) The financial intelligence officer, depending on the achieved exceptional and above average results in the work, the professional knowledge and abilities in the work, commitment, creativity and consciousness in performing the official duties, may be promoted to a higher job position by a decision of the Minister of Finance, on a proposal of the director.

(2) The financial intelligence officer may be promoted if he/she fulfils the following conditions:
- the job position to which is promoted is available (vacant).
- fulfils all conditions determined in the act on systematization of the job positions for the job position for which the promotion is performed;
- has completed the trainings determined for the job position on which he/she is promoted; was evaluated as “satisfactory” or “excellent” on a manner and under conditions determined by this Law;
- at least one year has passed since his/her last promotion, and
- in the last 12 months have not been punished for violating the working order and discipline or failure to meet the working tasks determined by law.
Article 54

(1) The financial intelligence officers, during their work, will be evaluated once a year by immediate senior financial intelligence officer. The financial intelligence officers under Article 44 paragraph (2) indent 1 shall be evaluated by the Office’s director.

(2) The financial intelligence officers who were absent from work due to justified reasons longer than six months during the year (sick leave, unpaid leave etc.) are not going to be subjected to an evaluation.

(3) The evaluation of the financial intelligence officers shall be performed based on data regarding:
- the professional knowledge and ability to work;
- the commitment;
- achieved results;
- creativity, and
- consciousness.

(4) The data shall be evaluated individually, in numerical score with assessment from one to four and in description with the following descriptive assessments “excellent”, “satisfactory”, “partially satisfactory” and “unsatisfactory”.

(5) The financial intelligence officer who is not satisfied with the assessment may submit a request to the Evaluation Commission in order to review his/her assessment within eight days from the day of evaluation.

(6) The manner of the evaluation of the financial intelligence officers’ evaluation, types of reports, form and content of the evaluation form and the other forms shall be prescribed by the Minister of Finance on a proposal of the director.

Article 55

(1) The Code of Conduct shall describe the standards for conduct which should be observed by all financial intelligence officers and shall provide directions and guidelines to address the ethical issues for those who work in the Office and those who cooperate and work with the financial intelligence officers.

(2) The Code of Conduct shall be prescribed by the Minister of Finance on proposal of the director.

Article 56

(1) For violating the working order and discipline or failure to fulfil the work commitments, the financial intelligence officer shall be subjected to a disciplinary measure.

(2) The responsibility for committed crime shall not exclude the disciplinary responsibility of the financial intelligence officer.

Article 57

(1) The financial intelligence officer shall be disciplinary liable for disciplinary irregularities and disciplinary offence.

(2) The disciplinary irregularity, in terms of the paragraph (1) under this Article, shall be a minor violation of the working order and discipline or failure to fulfil the work tasks.

(3) The disciplinary offence, in terms of the paragraph (1) under this Article, shall be a minor violation of the working order and discipline or failure to fulfil the work tasks.

Article 58

(1) In case of violation of the working order and discipline or failure to fulfil the work tasks, determined by this law, the financial intelligence officer may be imposed with the following
disciplinary measures:
1) written warning;
2) fine in the amount of 15% of the last monthly net salary paid to the financial intelligence officer, for one to six months;
3) reassigning to a job position which according to the hierarchy of job positions determined by the act on systematization of job positions in the Office is one level lower than the job position of the financial intelligence officer, and
4) termination of the employment agreement.
(2) The level of responsibility of the employee, conditions under which the violation of the working order and discipline or failure to fulfill the working tasks were violated, former job and conduct of the employee, severity of the violation and its consequences, circumstances under which the violation occurred and other mitigating and aggravating circumstances shall be taken into consideration in imposing disciplinary measures under paragraph (1) of this Article.

Article 59
The Financial Intelligence Officer shall perform disciplinary irregularity or minor violation of the work order and discipline or not fulfilling of the work obligations determined with this and other laws if:
1) Does not respect the work order and discipline;
2) Fails to perform or performs the work obligations with negligence and not on time;
3) Fails to comply with the regulations that apply to performing the works at the work place;
4) Fails to comply to the determined business hours, schedule and usage of the business hours;
5) Fails to request leave or does not submit a written notification to the director or to the direct manager or another responsible employee for the time absent from work;
6) Due to illness or justifiable reasons is absent from work and for that does not inform the director or the direct manager or other responsible employee immediately or no longer than 24 hours;
7) Does not act diligently or in accordance with the technical operating instructions with the means for work;
8) Occurs a damage, mistake or loss during the work and for that does not notify the Director or the manager of the organization unit or another responsible employee immediately.
9) Fails to maintain the assets and the equipment for occupational safety in accordance with the regulations for occupational safety;
10) Causes disorder and acts violently during work;
11) Uses the assets of the Office illegally and without authorization and
12) Avoids training.
(2) A written notice or a fine of 15% of the monthly net salary paid to the financial intelligence officer in the month before the performing of the disciplinary irregularity in duration of one to three months can be imposed for the disciplinary irregularities referred to in Paragraph (1) of this Article.
(3) The disciplinary measures against the financial intelligence officer for disciplinary irregularity shall be imposed by the Director and after a previously written suggestion from the immediate managing financial intelligence officer or the senior managing financial intelligence officer.

Article 60
The financial intelligence officer shall perform disciplinary irregularity or major violation of the work order and discipline or not fulfilling the work obligations determined with this and other
If:
1) he/she is unjustifiably absent from work for three consecutive working days or five working days during one year;
2) Misuse the sick leave;
3) fails to comply with the regulations for health protection, occupational safety, fire, explosion, harmful action of toxins and other dangerous substances and violating the regulations for environmental protection;
4) Inserts, uses or is under the influence of alcohol and drugs;
5) Performs theft or, in terms of the work, on purpose or out of gross negligence causes harm to the Office;
6) Fails to comply to the provisions of the Law on Classified Information;
7) Misuses personal data;
8) Misuses or exceeds the given authority;
9) Avoids medical examination for determining of working ability;
10) Illegally obtains personal benefits related to the performance of the activities and Tasks;
11) Hands over or enables handing over of money or other valuable objects which are entrusted to the financial intelligence officer within the work and activities and
12) founds, manages, presents, represents a political party, is a member of the bodies of the party determined with its statute, expresses and represents attitudes of the party and beliefs in the performance of the works and tasks, carries or expresses symbols of the party in the premises or in the official vehicles of the Office and is part of organization or activities in the Office.

(2) A written notice, fine of 15% of the last paid monthly net salary of the financial intelligence officer in duration of one to six months may be imposed, reassignment to the work place which in accordance with hierarchy of the work places determined with the act of systematization of work places in the office is at least two degrees lower than the work place from which the financial intelligence officer is reassigned and termination of the employment agreement for the disciplinary offences referred to in Article (1) of this Article.

(3) The disciplinary measures against the financial intelligence officer for disciplinary offence shall be imposed by the Director with an exception to the measure termination of the employment agreement which on suggestion of the Director is imposed by the Minister of Finance.

**Article 61**
The sum of fines of the financial intelligence officer in one month for minor and major violations of the work order and discipline cannot exceed 20% of the amount of his/her total net salary for that month.

**Article 62**
(1) Suggestion for initiation of a procedure for determining disciplinary responsibility of the financial intelligence officer or the senior managing financial intelligence officer for a disciplinary offence may be submitted by the immediate managing financial intelligence officer or the senior managing financial intelligence officer.
(2) The suggestion must be explained and supported with facts and evidence.

**Article 63**
(1) The director shall form a commission for determining a disciplinary responsibility due to leading a procedure for determining disciplinary responsibility of the financial intelligence officer, within eight days of the date of submission of the suggestion for leading a disciplinary procedure.
The Commission referred to in Paragraph (1) of this Article shall be composed of a President and two members from which one is head financial intelligence officer and one is financial intelligence officer on the same position against whom the disciplinary procedure is led. The President and the members have their own deputies.

The Commission referred to in Paragraph (1) of this Article shall lead the procedure for determining a disciplinary responsibility in accordance with this Law.

The Commission referred to in Paragraph (1) of this Article, after the conducted disciplinary procedure, shall suggest appropriate disciplinary measure to the director.

If the commission referred to in Paragraph (1) of this Article determines that the financial intelligence officer is not responsible or the conditions for adopting a decision for imposing a disciplinary measure are not met, it shall suggest to the director to deny the suggestion or to terminate the procedure.

The director, on the basis of the suggestion of the commission shall adopt a decision for imposing a disciplinary measure, deny the suggestion and terminate the procedure.

If the director does not agree with the suggestion of the commission due to irregularly or not completely determined factual condition or wrong implementation of the substantive law, the case can be returned to the commission for repetition of the procedure.

The decision for imposing a disciplinary measure shall be handed personally to the financial intelligence officer, by default, in the premises of the body where the financial intelligence officer works or at his/her address of living or residence.

If the Financial Intelligence Officer cannot be found at the address of living or residence or if he/she refuses the delivery, the decision shall be published at the notice board in the Office. The delivery shall be considered as performed after three business days of the date of publication on the notice board.

The disciplinary procedure shall be terminated after 60 days counting from the date of adopting a decision for forming the commission referred to in paragraph (1) of this Article.

Article 64

The financial intelligence officer shall be removed from the work place with a written decision until the adoption of a decision in the disciplinary procedure being led against a certain financial intelligence officer and also from the Office in cases determined with the regulations for work relations, if one of the following situation occurs:

- The life or health of the workers or other persons is directly threatened or assets of a greater value are being damaged;
- The presence in the work place and the further work will reflect adversely on the work of the Office, and
- When crime procedure for a crime committed at work or related with work is initiated against the financial intelligence officer.

Reimbursement of 60% of the net salary which the financial intelligence officer generated in the month prior to the elimination of the work place shall be determined and paid to the financial intelligence office during the elimination from the work place and Office.

The decision referred to in Paragraph (1) of this Article shall be adopted by the Director.

The decision referred to in Paragraph (1) of this Article shall be handed personally to the financial intelligence officer, by default, in the premises of the body where the financial intelligence officer works or at his address of living or residence.

If the financial intelligence officer cannot be found at the address of living or residence or if he/she refuses the delivery, the decision shall be published at the notice board in the Office. The delivery shall be considered as executed after three business days of the date of publication on the notice board.

The financial intelligence officer has the right to appeal against the decision of Paragraph
(1) of this Article to the State Commission for deciding in administrative procedures and employment procedures of second degree within eight days of the date of submission of the decision.

(7) The appeal against the decision of Paragraph (1) of this Article does not postpone the execution of the decision.

(8) In the case of returning to work and if the existence of a disciplinary responsibility is not determined, the financial intelligence officer shall be entitled to reimbursement retroactively up to 100% of the net salary.

Article 65

(1) The decision for imposing a disciplinary measure shall contain an explanation for the ground and reasons for imposing a disciplinary measure.

(2) The decision for imposing a disciplinary measure to the financial intelligence officer needs to be adopted within three months from the day of reporting the violation of the work order and discipline or the not fulfilling of the work obligations, and no longer than six months from the day of violation.

(3) When a crime procedure is initiated for executed disciplinary offence for the financial intelligence officer, the decision for imposing a disciplinary measure shall be adopted no longer than the expiration of the deadline for limitation for prosecution to the appropriate crime.

(4) The financial intelligent officer has the right to appeal against the decision for imposing a disciplinary measure or elimination of the suggestion, or for termination of the procedure through the Office to the State Commission for Deciding in an Administrative Procedure and Second Degree Employment Procedures within eight days of the day of submission of the decision.

(5) The appeal shall not suspend the execution of the decision until a final decision or expiration of the period within which the State Commission for Deciding in an Administrative Procedure and Second Degree Employment Procedures should decide. The Office shall submit the appeal along with the associated documents to the State Commission for Deciding in an Administrative Procedure and Second Degree Employment Procedures within eight days from receiving the appeal.

Article 66

(1) The financial intelligence officer shall be responsible for the damage to the work or related to the work caused to the Office intentionally or by gross negligence.

(2) The Director shall form a commission for determining a material responsibility of the financial intelligence office composed of a president and two members and their deputies.

(3) The Commission referred to in Paragraph (2) of this Article shall determine the material responsibility for existence of a caused material damage, its amount and the way of perpetration who caused the damage and who shall compensate.

(4) The Commission referred to in Paragraph (2) of this Article for the determined factual condition shall submit a report on the basis of which the director shall adopt a decision for compensation of damage.

Article 67

A suggestion for initiation of a procedure for determining a material responsibility against a financial intelligence officer shall be submitted by a direct managing financial intelligence officer or a senior managing financial officer.

Article 68

The procedure for determining a material responsibility may not be initiated if 60 days have passed since the date when the direct managing financial intelligence officer or the senior
managing financial officer has found out about that.

Article 69
The procedure for determining of a material responsibility may not be initiated if has passed one year since the date when the material damage was performed.

Article 70
The procedure for determining a material responsibility cannot be led longer than 60 days counting from the day of the adoption of the decision for forming the Commission for determining a material responsibility to the financial intelligence officer.

Article 71
(1) The financial intelligence officer has the right to appeal against the decision for compensation for damage to the State Commission for deciding in administrative procedures and second degree employment procedures, through the Office, within eight days of the date of submission of the decision.
(5) The appeal shall suspend the execution of the decision until a final decision or expiration of the period within which the State Commission for Deciding in an Administrative Procedure and Second Degree Employment Procedures should decide.

Article 72
The procedure for determining a material responsibility of the financial intelligence officer shall be determined with a decision adopted by the director.

Article 73
If the financial intelligence officer does not compensate for the damage within three months of the finalization of the decision for compensation for damage, the Office shall initiate a procedure before the competent court.

Article 74
The director may fully or partially release the financial intelligence officer from the compensation for the damage, if the damage was not done intentionally or if with the payment of the compensation of the damage may jeopardise the existence of the financial intelligence officer and his/her family.

Article 75
If the financial intelligence officer due to disciplinary offence is imposed with a measure termination of the employment agreement, the financial intelligence officer has the right to a notice period of 30 days from the date of the delivery of the decision for cancelation of the employment agreement.

Article 76
During the notice time, the Office shall provide a leave of one week to the financial intelligence office due to searching for a new employment, four hours during the work week.

Article 77
During the notice time and the leave from work due to searching for a new employment, the Financial Intelligence Inspector shall be determined and paid a reimbursement in the amount of the salary that the Financial Intelligence Officer exercised in the month before the adoption of the
Article 78

(1) The financial intelligence officers are given awards for the long professional work, organization promotions, success in performing their tasks and improvement of the reputation of the service.
(2) The financial intelligence officers can receive a lump sum of cash prize award for achieving above average exceptional results in the work.
(3) The awards and prized referred to in Paragraphs (1) and (2) of this Article, by default shall be awarded on the day of the Office.
(4) For awarding the acknowledgments and the cash prizes shall decide the Minister of Finance, on a suggestion of the Director. The day of the Office is March 1.

Approach and exchange of information

Article 79

(1) Due to performing of its authorities, the Office can request for data or documents from the state authorities, the financial institutions or other legal entities or natural persons.
(2) Due to performing its authorities, the Office receives free of charge data for mediation of a transaction account of the clearinghouse determined by the Ministry of Finance which keeps the unique register of transaction accounts.
(3) The state authorities, the financial institutions or the other legal entities or natural persons referred to in Paragraph (1) of this Article shall be obliged to submit to the Office the requested data electronically or through communication means (telephone, fax) and in case when that is not possible, with another written means within ten business day of the date of receiving the request. The requested information communicated over a phone, the subjects within this deadline shall be obliged to confirm with fax, electronically or with another written document.
(4) If the Office requests for data immediately, the subjects shall be obliged to inform the office immediately and within four hours to submit the requested data on a manner determined in Article 33 of this law.
(5) The Office can exchange information with the authorities for conducting an investigation and with the supervision authorities due to prevention of money laundering and financing terrorism.

Article 80

(1) The received data and the reports, analysed and processed by the Office shall be confident and the Office’s officials cannot use them for other purposes, except for the purposes determined with this Law.
(2) The Office shall be obliged to keep the data or the reports referring to a particular transaction or a client for at least five years from the receiving and after the expiration of this period can destroy them.

Article 81

(1) THE Office shall immediately draft and submit a report to the state authorities which decide for the further actions whenever exist reasonable grounds for suspicion for committed crime money laundering and/or financing terrorism.
(2) The report referred to in Paragraph (1) of this Article shall contain data for the person and the activities for which there is a suspicion that are related to money laundering and/or financing.
terrorism.

(3) THE Office shall draft and submit written notification to the state authorities when grounds for suspicion exist for committed another crime except money laundering and financing terrorism.

Order for monitoring of a business relationship

Article 82

(1) The Office can submit a written order to the subject for monitoring the business relationship of the client whenever there is a suspicion for money laundering and/or financing terrorism.

(2) The entity shall notify the Office in accordance with the instructions given in the order about transactions performed or need to be performed within the business relationship.

(3) In the order referred to in paragraph (1) of this Article, the Office shall determine the deadlines within which the subject shall be obliged to submit the data for the transactions referred to in paragraph (2) of this Article.

(4) If the entity due to objective circumstances cannot notify the Office in the deadlines referred to in Paragraph (3) of this Article, it shall be obliged immediately after the elimination of the circumstances to notify the Office and to explain the reason why the notification wasn’t submitted in the determined period.

(5) The monitoring of the business relationship referred to in paragraph (1) of this Article can last no longer than three months and in justified cases the duration of the measure can be prolonged for one more month, with what the monitoring of the business relationship can last up to six months.

Provisional measures

Article 83

(1) In case of suspected crime money laundering and/or financing terrorism, the Office may submit a request for submitting draft for determining provisional measures to the authorised public prosecutor.

(2) The Office shall without a delay submit a written order to the subject for temporary detention of the transaction.

(3) The withholding of the transaction shall last to the adoption of a court decision for the draft, no longer than 72 hours of the withholding of the transaction.

Article 84

The request for submitting a draft for determining provisional measures of the Article 83 of this Law shall contain data for the crime for which is requested the provisional measure, the facts and the circumstances that justify the need for the provisional measure, data for the natural or legal person that performs the transaction, for the entity where the transaction is performed and the amount of the money or the type of the property.

Article 85

(1) The competent public prosecutor shall review the request for submitting a draft for determining provisional measures referred to in Article 83 paragraph (1) of this Law and if determines that it is reasonable, without any delay, no longer than 24 hours of the receiving of the request submits draft for determining provisional measures to the judge of the competent court.

(2) If the competent public prosecutor determines that the request for submitting a draft for determining provisional measures referred to in the Article 83 paragraph (2) of this Law is not
invalid, he/she shall be obliged without any delay to notify the Office that the request has been declined. After receiving of the notification of the public prosecutor, the Office without any delay shall notify the subject that the transaction can proceed.

Article 86

(1) The judge of the competent court shall be obliged within 24 hours of the receiving of the draft referred to in Article 85 paragraph (1) of this Law to adopt a decision for implementation of the provisional measure or deny the suggestion of the public prosecutor and to submit the decision to the authorised public prosecutor, the entity and the client.
(2) If with the decision are implemented provisional measures within the same deadline, the judge shall be obliged to submit the decision to the entity and the client.
(3) The competent public prosecutor shall be obliged to notify the Office immediately for the adopted decision of the judge referred to in paragraph (1) of this Article.
(4) Against the decision of the judge referred to in paragraph (1) of this Article, the authorised public prosecutor and the client have the right to appeal to the criminal council of the authorised court within three days of the receiving of the decision, which does not postpone the execution of the decision.

Notification after receiving data

Article 87

(1) The Office shall be obliged to notify the entity immediately for receiving the report referred to in Article 30 paragraph (1) Item a) and at least annually to notify the entities for the performed check-ups of the data received on the basis of Article 30 of this Law.
(2) The Office shall be obliged to publish on its official web page information in an adequate scope on the current techniques, methods and trends for money laundering and financing terrorism, examples of discovered cases of money laundering and financing terrorism, unified quarterly conducted audits, quarterly audit for conducted education and other acts deriving from this Law or from a membership in international bodies and organizations.
(3) The competent state authorities shall be obliged to notify the Office for each of the initiated procedures for money laundering or terrorism financing crime.
(4) The Public Prosecution Office shall be obliged to notify the Office for each of the submitted criminal charges against the perpetrator of a crime for which is determined imprisonment of at least 4 years for which there is a suspicion that they gained material gain.
(5) The Public Prosecution Office for prosecution of organized criminal and corruption shall be obliged to inform the Office for each submitted criminal charge, criminal act, and effective court decision for money laundering and financing terrorism every three months.

Inter-institutional cooperation

Article 88

(1) For the purposes of a detailed arrangement of inter-institutional cooperation, the Office may sign a Memorandum or Protocols of Cooperation with the state authorities.
(2) For promoting the inter-institutional cooperation in accordance with the purposes of this Law, the Government of Republic of Macedonia on a suggestion of the Minister of Finance forms a Council for Combating Money Laundering and Financing Terrorism, (hereinafter: Council).
The work of the Council referred to in Article (2) of this Article is led by the Director of the Office and its members are managing and responsible persons from the Ministry of Interior, the Ministry of Justice, the Ministry of Finance, the Public Prosecutor Office for prosecuting organized criminal and corruption, the Financial Police, the Customs, the Public Revenue Office, National bank of Republic of Macedonia, the Commission for securities, the Supervision Agencies for Insurance, The Agency for supervision of the capital financed pension insurance, the Agency for post offices, as well as representatives of the Bar Chamber and Notary Chamber.

**International cooperation**

**Article 89**

(1) The Office can conclude agreements for cooperation with authorised bodies of other states as well as with international organizations included in the combat against money laundering and financing terrorism.

(2) The office within the international cooperation may request data and the data obtained on the basis of this law to submit at own initiative or at their request and on condition of reciprocity to the authorised bodies and organizations of other states, as well as to international organizations concerning prevention of money laundering and financing terrorism.

(3) The request for data exchange of the bodies and organizations referred to in paragraph (2) of this Article should be clarified with the appropriate relevant facts that suggest money laundering and financing terrorism and the purpose for which the requested data and information shall be used.

(4) The Office shall be obliged after the obtained request referred to in paragraph (3) of this Article to provide all of the appropriate data and information in accordance with the authorities determined with this Law.

(5) The Office can refuse the request for data exchange referred to in paragraph (2) of this Article if that is contrary to this Law or shall stop conducting the investigation of another state authority or the crime procedure against the person for which the data is requested. The office shall be obliged to explain the reasons for which the request was declined.

(6) The office is obliged to use the data and the information provided by authorities of other states for the purposes determined with this Law and under the conditions provided by the authority that submitted them.

(7) The office can exchange the information and the data with the authorities in charge of conducting investigation for money laundering and financing terrorism after providing their previous consent.

(8) The data and the information provided on the basis of this article shall be confidential in accordance with the Law.

(9) The office may request for information from the authorised bodies of other states for how the data submitted in accordance with this Article is being used.

**Article 90**

(1) The provisions of Articles 83, 84, 85 and 86 of this Law shall be implemented when an authority for preventing money laundering and terrorism financing of another state shall request for a denial or delay of a transaction.

(2) The request referred to in paragraph (1) of this Article needs to be explained and to refer to a transaction related to money laundering and/or financing terrorism and the refusal or the delay shall be realised if the transaction is an object of domestic suspicious transaction.

**SUPERVISION**
Article 91

(1) The supervising over the implementation of the measures and actions determined with this Law shall be performed by:
- The National Bank of Republic of Macedonia for the banks, saving houses, exchange offices, and the fast money transfer services providers.
- Agency for Supervision on Insurance for insurance companies, insurance brokerage companies, representing companies for insurance, insurance brokers and insurance agents.
- The Securities Commission of Republic of Macedonia for the brokerage companies, the persons giving services to investment advisers and companies for managing with investment funds.
- The Agency for Supervision of Fully Funded Pension Insurance for the companies managing voluntary pension funds;
- The Public Revenue Office for the organizers of games of chance in a gaming house (casino), internet casinos, as well as for the legal and natural persons performing the following services: real-estate turnover, audit and accounting services, giving advices from the field of taxes or giving consultant services, legal persons receiving pledged movables and real-estates and
- The Postal Agency for the post offices and the legal persons performing telegraphic transfers or delivery of valuable packages.

(2) In cooperation with the authorities referred to in paragraph (1) of this Article and the commissions referred to in Article 98 of this Law or independently the Office performs supervision over the implementation of the measures and activities determined with this law over the entities.

(3) The Office with the authorities referred to in paragraph (1) of this Article and the commissions of Article 98 of this Law shall inform each other for the findings of the performed supervision over the implementation of the measures and the actions determined with this law and if it is necessary shall coordinate the activities when conducting supervision over the entities of Article 3 of this Law.

(4) The Office, the authorities referred to in paragraph (1) of this Article and the commissions referred to in Article 98 of this Law shall draft plans for performing supervision over the implementation of the measures and activities determined with this Law.

(5) The authorities referred to in paragraph (1) and (2) of this Article may prescribe a manner of adequate conduction of the measures for prevention money laundering and financing terrorism for the entities for whose supervision they are responsible.

(6) The authorities referred to in paragraph (1) of this Article and the commissions referred to in Article 98 of this Law, if when performing a supervision determine a suspicion for money laundering and/or financing terrorism as well as violation of the provisions of this Law and for that immediately inform the Office.

Article 92

(1) The supervision conducted by the Office may not last longer than 15 business days with a possibility for prolongation but not more than 30 business days.

(2) The Minister of Finance prescribes the form and the content of the order for performing supervision by the Office.

(3) The Manager of the Office adopts an annual programme for performing supervision no later than December 31 in the current year for the next year.

Article 93

The supervision that is individually conducted by the Office is performed by financial intelligence officers, employed in the Office, that meet the general conditions determined with
the Law on employment in the public sector and the conditions determined with the act of systematization of work places in the Office.

Article 94

(1) When performing the supervision conducted by the Office, the **financial intelligence officer** shall have the obligation:
1) To act upon the order for performing supervision;
2) To undertake preparation activities for performing a supervision;
3) To inform the responsible and authorised person of the entity for the initiation of the performance of the supervision, legal ground, purpose and scope of the supervision, except in the case of special and control supervision.
4) To identify in front of the entity or in front of the authorized person of the entity;
5) To keep the secrecy of the data;
6) To act lawfully, timely and in accordance with the Ethical Code of the Office;
7) To compile a report for the performed supervision;
8) To reach a conclusion;
9) To reach a solution in accordance with Article 100 of this Law;
10) To suggest a settlement procedure and
11) To submit a request for initiating a misdemeanour procedure.

(2) Besides the obligations referred to in paragraph (1) of this Article, the **financial intelligence officer** for the performed supervision is obliged to file the inspection documentation in the following order:
1) Documents collected during the preparation for supervision;
2) Request from the Office’s departments, another body or institution if the supervision was performed on their request;
3) Supervision order;
4) Minute for performed supervision;
5) Conclusion;
6) Decision;
7) Settlement suggestion
8) Minute of the performed settlement;
9) Payment Order
10) Request for initiation of misdemeanour procedure and
11) Valid and enforceable decisions from litigation.

Article 95

(1) When performing the supervision conducted by the Office, the **financial intelligence officer** shall have the obligation:
1) To check general and individual acts, files, documents, evidence and information in the scope according to the subject of the supervision, as well as to seek for drafting necessary copies and
2) to request for the entity to provide office working conditions in the premises of the entity and a person that shall attend the supervision due to timely securing of the documentation and information related to the subject of supervision.
3) To enter and perform inspect the business premises of the entity;
4) To inspect identification documents of persons due to confirming their identity in accordance with law;
5) To ask the entity or its employees for a written or oral explanation related to questions of the scope of the supervision;
6) To ask for an expert opinion when it is necessary for the supervision;
7) To control the activities of the entity;
8) To conduct an inventory of documents encountered in the business facility
9) To provide other necessary evidence.

(2) An identity of the copy with the file original, the documents, the evidence and the information referred to in paragraph (1) of this Article, the entity shall confirm with a signature of the authorised person.

(3) The financial intelligence officer shall be authorised to initiate a settlement procedure and misdemeanour procedure in accordance with a Law.

Article 96
When performing a supervision conducted by the Office, the financial intelligence officer due to removing the determinate irregularities shall have the right and obligation:
1) To point the determined irregularities to the entity;
2) To point the determined irregularities to the entity and to determine a deadline for their removal and to hand and an invitation for conducting an education in accordance with Article 100 of this Law;
3) To suggest a settlement procedure to the entity and
4) To submit a claim for initiating misdemeanour procedure or to initiate another appropriate procedure.

Article 97
A special commission of three members assigned by the Minister of Finance shall decide on the appeal against the financial intelligence officer decision, in the Office, and the president of the commission shall be assigned from among the managers of the Office that are not included in performing of the inspectoral supervision.

Article 98
(1) The Bar and Notary Chambers, within their authorities, shall form commissions for performing supervision of the implementation of the provisions of this law on the work of their members.
(2) The members of the commissions referred to in paragraph (1) of this Article shall be assigned with a term of four years without the right of re-election.
(3) The Chambers shall notify the Office for the assigning and the composition of the commissions.

Article 99
(1) The bodies and institutions referred to in Article 91 and the Commissions of Article 98 of this Law shall notify the Office for the submitted request for initiation of a misdemeanour procedure for a committed crime referred to in this Law by the subjects on which the supervision is performed, for the initiated settlement procedures and for the result of this procedures.
(2) The bodies and the institutions referred to in Article 91 and the commissions referred to in Article 98 of this Law without any periodical delay, and at least two times a year shall notify the Office about the performed supervision on the entities and about the results of the performed supervision.

Education procedure
Article 100

(1) If when performing a supervision by the authorities and bodies referred to in Article 91 and Article 98 of this Law is determined that an irregularity is made by the entity for the first time, referred to in Article 114 and 115 of this Law, a minute shall be compiled in which the made irregularity shall be determined and a decision with pointing out for removing the determined irregularity within eight days and at the same time shall be handled an invitation for education of the person or the subject where the irregularity was determined when performing the supervision.

(2) The form and the content of the education invitation, as well as the manner of conducting it shall be prescribed by the Minister of Finance, on a suggestion of the Office.

(3) The education shall be organized and conducted within no longer than eight days of the day of conducting the supervision.

(4) The education may be conducted for more same or homogenous established irregularities for one or more entities.

(5) If on the scheduled appointment, the person or the entity referred to in paragraph (1) of this Article, on which the education shall be performed, does not show up on the education, the education shall be considered as conducted.

(6) If the person or the subject referred to in paragraph (1) of this Article on which the education is conducted, shows up on the education and finishes it, he/she shall be considered as educated in reference of the determined irregularity.

(7) If when conducting of the control supervision is determined that the irregularities referred to in paragraph (1) of this Article are removed, a conclusion for stopping the procedure of inspectoral supervision shall be adopted.

(8) If when conducting of the control supervision is determined that the irregularities referred to in paragraph (1) of this Article are not removed, a settlement procedure shall be suggested.

(9) The authorities referred to in Article 91 and Article 98 of this Law shall keep records for the conducted education on a manner and in form prescribed by the Minister of Finance on a suggestion of the Office.

COLLECTION, PROCESSING, ANALYZING, ASSESSING, GRADING, USE, TRANSFER, STORAGE AND ERASING OF DATA AND PROCESSING OF PERSONAL DATA

Article 101

(1) The Office shall collect, process, analyse, estimate, evaluate, use, transfer, store and erase data, process personal data under conditions and on a manner determined with this and a special law, and shall keep records for the personal and other data for whose collection is authorised by this Law, due to prevention of money laundering and terrorism financing.

(2) The Office shall process personal data when there are grounds for suspicion for money laundering and financing terrorism.

(3) The data for the legal entity shall be collected when there are grounds for suspicion for money laundering and financing terrorism.

Article 102

Personal data within this law is: Name, birth data (day, month, year and place), place of residence, personal identification number, address and citizenship, as well as other data which directly or indirectly identifies a person.

Article 103
The Office shall collect personal and other necessary data from the indebted entities, state authorities, public institutions, establishments, international organizations and other legal entities.

Article 104

The Office shall keep records on:
1) Persons for which is submitted a report for a suspicious activity;
2) Persons for which is submitted a report for cash transaction;
3) Persons for which is submitted a report for related cash transactions;
4) Persons for which it is submitted a report for paid credits;
5) Persons for which is submitted a notary report for certified legal act;
6) Persons for which is submitted a report for concluding life insurance policy in amount that exceeds 15,000 EUR in denar counter-value;
7) Persons for which is submitted a report for purchase of vehicles with value that exceeds 15,000 EUR in denar counter-value;
8) Persons for which is submitted a report for suspicion of money laundering and financing terrorism to the authorities;
9) Persons for which is submitted a notification to the authorities for another crime;
10) Persons for which is issued an order for monitoring a business relationship;
11) Persons for which is issued an order for implementation of provisional measures;
12) Persons for which is exchanged data with the authorities in Republic of Macedonia;
13) Persons for which is exchanged data with the authorities and organizations of other states and international organizations and
14) Persons that transferred money or transferable physical means of payment.

The records referred to in paragraph (1) of this Article contain personal data in accordance with the Articles 8 and 102 of this Law and other data and information for the entity of the personal data and for a third party.

Article 105

The records of article 104 of this Law may be structured and kept as:
- Record for applied reports for suspicious activity;
- Record for received reports for one or more related cash transactions;
- Record for received reports for transfer of money or transferable physical means of payment;
- Record for applied reports of banks for paid credits;
- Record for received notary records for certified legal acts;
- Record for received reports from the insurance companies for concluding life insurance policy in amount that exceeds 15,000 EUR in denar counter-value;
- Record for received reports from car dealers for purchase of vehicles with value that exceeds 15,000 EUR in denar counter-value;
- Records for received and submitted requests for data exchange with the authorised bodies and organizations of other states and international organizations;
- Records for submitted reports and notifications to the authorities and
- Record for issued orders for monitoring a business relationship and for implementation of provisional measures.

Article 106

(1) The data for which the Office keeps records in accordance with Article 104 and Article 105 of this Law shall be used for statistical and analytical purposes of the Office.
(2) Personal data may be submitted to the authorised bodies and organizations of other states
and international organizations in accordance with a Law and ratified international agreements.

Article 107
Personal data may be used in accordance with the purposes prescribed with this Law and in accordance with the provisions governing the protection of personal data.

Article 108
The personal data inserted in the records referred to in Article 104 and Article 105 of this Law shall be erased immediately in the cases when it shall be determined that they are not correct or the reasons or conditions for which the personal data was entered in the record no longer exists.

Article 109
The data contained in the records referred to in Article 104 and Article 105 of this Law, since the inserting until the erasing may be exchanged under conditions and manner provided with this Law.

Article 110
The data from the records referred to in Article 104 and 105 of this Law shall be stored within five years of the date of their receiving.

PENALTY PROVISIONS

Article 111
A fine in amount of 80,000 EUR in denar counter-value shall be imposed to the legal entity or sole trader if:
- Does not refuse to establish business relationship, performs the transaction or does not stop the business relationship with the client opposite of Article 18 paragraph (1);
- Does not submit a report to the Office in accordance with Article 18 paragraph (2);
- Pays, receives or exchanges cash in an amount of 15,000 EUR or more in denar counter-value in the form of one or more related transactions in accordance with Article 24 paragraph (1);
- Performs a registration or transaction of Securities, other property of legal affairs if the client does not submit a evidence that the transaction of the money is performed through a bank, opposite of Article 24 paragraph (2);
- Enters or proceeds business relationship with a shell bank, and to start or continue correspondent business relationship with bank for which they know it does not allow opening and working with shell bank accounts opposite of Article 25 paragraph (1);
- Shell banks perform financial activities in Republic of Macedonia opposite of Article 25 paragraph (2);
- Opens up or keeps an anonymous accounts or accounts on fictive names opposite of Article 26;
- To notify the client or a third party for the submission of the data to the Office or for other measures and actions undertaken on the basis of this Law in accordance with Article 29 paragraph (3);
- To notify the client or a third party for the submission of the data opposite of Article 29 paragraph (4);
- Does not submit data, information, and documents to the Office, in accordance with Article 30 paragraph (1) item a);
- Does not submit the collected data, information, and documents to the Office, in accordance with Article 30 paragraph (4);
- Refers to as a business secret at the submission of the information opposite of Article 39;
- Does not submit the collected date, incorrectly responds to the requested data or does not respond in form and within ten business days in accordance with Article 79 paragraph (3);
- Does not submit the requested data, in accordance with Article 79 paragraph (4) and
- Does not keep the transaction on the basis of the issued order or not longer than 72 hours of the keeping of the transaction in accordance with Article 83 paragraph (3).

(2) Besides the fine for performed activities of the paragraph (1) of this Article, to the legal person shall be imposed with a misdemeanour sanction prohibition for performing a separate activity from three months to three years in accordance with the law.

(3) A fine in amount of 30% of the fine determined for the legal entity or sole trader shall be imposed to the responsible person in the legal entity or sole trader for the activities of paragraph (1) of this Article.

(4) Besides the fine for performed activities of the paragraph (1) of this Article, the legal person shall be imposed with a misdemeanour sanction prohibition for performing an activity from up to one year in accordance with the law.

Article 112
(1) A fine in amount of 80,000 EUR in denar counter-value shall be imposed for an misdemeanour to the bank if the automatic data processing software is not updated or placed into use in accordance with Article 34 paragraph (3).

(2) A fine in amount of 30% of the fine determined for the bank shall be imposed to the responsible person in the bank for the activities of paragraph (1) of this Article.

Article 113
(1) A fine in amount of 30,000 EUR of denar equivalent shall be imposed to the legal entity or sole trader if:
- Does not conduct a procedure of client due diligence when a business relationship is being established in accordance with Article 6 item a) of this Law;
- Does not conduct a client due diligence procedure when one or more related transaction in the an amount that exceeds 15,000 EUR in denar counter-value or more, in accordance with Article 6 item b) of this Law;
- Does not conduct a client due diligence procedure when there is suspicion of money laundering or financing terrorism regardless of any exception or amount of means in accordance with Article 6 item c) of this Law.
- Does not conduct a client due diligence procedure when exists suspicion for the authenticity or the adequacy of the previously obtained data for the client identity in accordance with Article 6 item d) of this Law.
- Does not undertake measures in order to determine the nature of the business activity, the owner and managing structure of the client in accordance with Article 7 paragraph (2) of this Law;
- Does not conduct a client due diligence procedure in accordance with the performed assessment of the client risk, business relationship, product or transaction in accordance with Article 7 paragraph (3) of this Law;
- Does not perform a risk assessment of the client on the basis of a risk analysis procedure in accordance with Article 7 paragraph (4) of this Law;
- Does not provide access to the documents for risk assessment in accordance with Article 7 paragraph (5) of this Law;
- Does not perform detailed examination of the transactions in accordance with Article 12 paragraph (1) of this Law;
- Does not identify and confirm the identity of the sender or does not provide data in accordance with Article 13 paragraph (1) of this Law;
- Does not provide data in accordance with Article 13 paragraph (2) of this Law;
- Does not make available the provided data of the financial institution that needs to perform the payment or the authorities in accordance with Article 13 paragraph (3) of this Law;
- Does not forward the data on the payer to the financial institution receiver in accordance with Article 13 paragraph (4) of this Law;
- When performing the payments of the cashless transfers in the international payment operations act opposite of Article 13 paragraph (5) of this Law;
- Does not limit or stop the business collaboration with the financial institutions in accordance with Article 13 paragraph (6) of this Law;
- Does not conduct the measures for client due diligence in accordance with Article 14;
- Does not fulfil the requests for client due diligence in accordance with Article 15 paragraph (1) of this Law;
- Does not forward the data on the payer to the financial institution receiver in accordance with Article 13 paragraph (4) of this Law;
- Does not apply measures for reinforced client due diligence in a case where exists a higher risk of money laundering and terrorism financing in accordance with Article 16 paragraph (1) of this Law;
- Does not apply measures for reinforced client due diligence when he/she is not physically present for the purposes of the identification in accordance with Article 16 paragraph (2) of this Law;
- Does not apply measures for reinforced client due diligence when correspondent bank relationships are established with banks in accordance with Article 16 paragraph (3) of this Law;
- Does not apply measures of reinforced client due diligence when performing transactions or enter into business relationship with public officials in accordance with Article 16 paragraph (4) of this Law;
- Does not conduct reinforced analysis of the business relationships and the transactions with natural or legal persons, financial institutions of countries that have not implemented or not implemented enough the measures for prevention of money laundering and financing of terrorism in accordance with Article 16 paragraph (5) of this Law;
- Does not make analysis for the merits and the purpose of the complex, unusually large transactions or transactions that are performed on an unusual manner, that have no obvious economic or visible legal purpose in accordance with Article 17 paragraphs (1) and (5) of this Law;
- Does not pay special attention to the business relationships with civil associations and foundations in accordance with Article 17 paragraphs (2) and (5) of this Law;
- Do not determine the risk of the money laundering and terrorism financing treats in the new technologies or the developing technologies and do not undertake measures in accordance with Article 17 paragraphs (3) and (4) of this Law;
- The data provided on the basis of this Law is contrary to Article 29 paragraph (1) of this Law;
- Are using the personal data of the client’s file contrary to Article 29 paragraph (5) of this Law;
- Do not submit data, information, and documents for cash transaction in the amount of 15,000 EUR in denar counter-value or more to the Office, in accordance with Article 30 paragraph (1) item b) of this Law;
- Do not submit data, information, and documents for several related cash transactions in the amount of 15,000 EUR in denar counter-value or more to the Office, in accordance with Article 30 paragraph (1) item c) of this Law;
- Do not take action in accordance with Article 30 paragraph (2) of this Law;
- Do not submit data for payed credits and data for borrowings in accordance with Article 32 paragraph (2) of this Law;
- Do not submit data for concluded polices for life insurance in the amount of 15,000 EUR in denar counter-value or more in accordance with Article 32 paragraph (3) of this Law;
- Do not submit data for concluded polices for purchase of vehicles in the amount of 15,000 EUR in denar counter-value or more in accordance with Article 32 paragraph (4) of this Law;
- Do not draft programs or the programs are not in accordance with article 34 paragraph (1) of this Law;
- Do not submit the programs and the amendments of the programs for review and opinion of the Office in accordance with Article 34 paragraph (2) of this Law;
- Does not assign an authorized person in accordance with Article 35 paragraph (1) of this Law;
- Does not form a special department in accordance with Article 35 paragraph (2) of this Law;
- The authorized person and the department employees do not have access to the data bases opposite to Article 35 paragraph (6) of this Law;
- Do not perform inside control and do not act in accordance with article 36 of this Law and
- Does not notify the Office in accordance with Article 82 paragraphs (2) and (4) of this Law

(2) A fine in amount of 30% of the fine determined for the legal entity or sole trader shall be imposed to the responsible person in the legal entity or sole trader for the activities of paragraph (1) of this Article.

Article 114
A fine in amount of 5,000 EUR of denar equivalent shall be imposed to the legal entity or sole trader if:
- Does not identify and confirm the identity of the sender or does not provide data in accordance with Article 8 paragraph (1) of this Law;
- Does not identify and confirm the identity of a legal person in accordance with Article 8 paragraph (3) of this Law;
- Do not keep a copy of the documents for identification in accordance with Article 8 paragraph (5) of this Law;
- Does not determine if the client acts on behalf of a third party in accordance with Article 9 paragraph (1) of this Law;
- Do not identify and confirm the identity of the person performing the transaction (authorized person), the holder of the rights (authoriser) and the power of attorney in accordance with Article 9 paragraph (2) of this Law;
- Does not identify and confirm the identity of the true owner in accordance with Article 10 of this Law;
- Does not confirm the identity of the client, the authoriser or the true owner and prior to establishing business relationship or prior to performing the transaction in accordance with Article 11 paragraph (1) of this Law;
- Does not confirm the identity of the client or the true owner and confirms his identity before or during the payment of the policy or before or when the user has intention to execute the rights arising from the policy in accordance with Article 11 paragraph (3) of this Law;
- Does not update the documents and the client data in accordance with Article 12 paragraph (2) of this Law;
- Does not conduct the measures for client due diligence in accordance with Article 14 of this Law;
- Does not confirm the identity of the client before every transaction which includes amount higher than 500 EUR in denar counter-value in accordance with Article 20 paragraph (1) of this Law;
- Does not notice the data in chronological line in a numbered register in accordance with Article 20 paragraph (2) of this Law;
- Does not confirm the identity of the client before each transaction which includes amount higher than 1,000 EUR in denar counter-value in accordance with Article 21 paragraph (1) of this Law;
- Does not notice the data in chronological line in a numbered register in accordance with Article 21 paragraph (2) of this Law;
- Does not confirm the client identity before entering into the casino and at buying or paying of chips in an amount that exceeds 500 EUR in denar counter-value in accordance with Article 22 paragraph (1) of this Law;
- Does not notice the data in chronological line in a numbered register in accordance with Article 22 paragraph (2) of this Law;
- Does not confirm the identity of the client before each transaction which includes amount higher than 1,000 EUR in denar counter-value in accordance with Article 21 paragraph (1) of this Law;
- Does not provide implementation of the measures for preventing money laundering and terrorism financing in the subsidiaries and branch offices in accordance with Article 27 paragraph (1) of this Law;
- Do not inform the authority in accordance with Article 27 paragraph (2) of this Law;
- Do not keep a copy of the documents in accordance with Article 28 paragraph (1) of this Law;
- Do not keep copies of the documents in accordance with Article 28 paragraph (2) of this Law;
- Do not keep the numbered register of the Articles 20, 21, 22, and 23 in accordance with Article 28 paragraph (6) of this Law;
- Do not keep copies of the documents in accordance with Article 28 paragraph (7) of this Law;
- the legal successors or the founders of the subject do not keep the data in accordance with Article 28 paragraphs (8) and (9) of this Law;
- Do not make available the data in accordance with Article 28 paragraph (10) of this Law;
- Do not keep the data in accordance with Article 28 paragraph (11) of this Law;
- Do not submit the data, information, and documents in accordance with Article 30 paragraph (5) of this Law;
- Do not confirm the basis of suspicion in accordance with Article 31 paragraph (1) of this Law;
- Do not confirm the report submitted over phone, fax, electronically or with another written document in accordance with Article 33 paragraph (2) of this Law;
- In the department are not employed persons in accordance with Article 35 paragraph (3) of this Law and
- The employees in the department do not fulfil the high professional standards determined by the entity and do not have appropriate knowledge from the field of prevention of money laundering and terrorism financing in accordance with Article 35 paragraph (4) of this Law.

(2) A **fine in amount of 30% of the fine determined for the legal entity or sole trader shall be imposed to the responsible person in the legal entity or sole trader for the activities of paragraph (1) of this Article.**

**Article 115**

A fine of **2,000 to 2,500 EUR** in denar counter-value shall be imposed for a misdemeanour to the natural person of Article 3 paragraph (1) item 2 of this Law, if within his/her operations:
- does not conduct a procedure of client due diligence when a business relationship is being established in accordance with Article 6 item a) of this Law;
- Does not conduct a client due diligence procedure when one or more related transaction in the an amount that exceeds 15,000 EUR in denar counter-value or more, in accordance with Article 6 item b) of this Law;
- Does not conduct a client due diligence procedure when there is suspicion of money laundering or financing terrorism regardless of any exception or amount of means in accordance with Article 6 item c) of this Law.

- Does not conduct a client due diligence procedure when there exists suspicion for the authenticity or the adequacy of the previously obtained data for the client identity in accordance with Article 6 item d) of this Law.

- Does not conduct a client due diligence procedure in accordance with the performed assessment of the client risk, the business relationship, the product or the transaction in accordance with Article 7 paragraph (3) of this Law;

- Does not perform a risk assessment of the client on the basis of a risk analysis procedure in accordance with Article 7 paragraph (4) of this Law;

- Does not identify and confirm the identity of the sender or does not provide data in accordance with Article 8 paragraph (1) of this Law;

- Does not identify and confirm the identity of a legal person in accordance with Article 8 paragraph (3) of this Law;

- Do not keep a copy of the documents for identification in accordance with Article 8 paragraph (5) of this Law;

- Does not identify and confirm the identity of the true owner in accordance with Article 10 of this Law;

- Do not confirm the identity of the client, the authoriser or the true owner and prior to establishing business relationship or prior to performing the transaction in accordance with Article 11 paragraph (1) of this Law;

- Does not confirm the identity of the client or the true owner and confirms his identity before or during the payment of the policy or before or when the user has intention to execute the rights arising from the policy in accordance with Article 11 paragraph (3) of this Law;

- Does not update the documents and the client data in accordance with Article 12 paragraph (2) of this Law;

- Does not conduct the measures for client due diligence in accordance with Article 14 of this Law;

- Does not fulfil the requests for client due diligence in accordance with Article 15 paragraph (1) of this Law;

- Does not apply the measures in accordance with Article 15 paragraph (3) of this Law;

- Do not provide appropriate documentation in accordance with Article 15 paragraph (4) of this Law;

- Does not apply reinforced client due diligence in a case where exists a higher risk of money laundering and terrorism financing in accordance with Article 16 paragraph (1) of this Law;

- Does not apply measures for reinforced client due diligence when he/she is not physically present for the purposes of the identification in accordance with Article 16 paragraph (2) of this Law;

- Does not apply measures of reinforced client diligence when performing transactions or enter into business relationship with public officials in accordance with Article 16 paragraph (4) of this Law;

- Does not conduct reinforced analysis of the business relationships and the transactions with natural or legal persons, financial institutions of countries that have not implemented or not implemented enough the measures for prevention of money laundering and financing of terrorism in accordance with Article 16 paragraph (5) of this Law;

- Does not make analysis for the merits and the purpose of the complex, unusually large transactions or transactions that are performed on an unusual manner, that have no obvious economic or visible legal purpose in accordance with Article 17 paragraphs (1) and (5) of this Law.
Law;
- Does not pay special attention to the business relationships with civil associations and foundations in accordance with Article 17 paragraphs (2) and (5) of this Law;
- Do not determine the risk of the money laundering and terrorism financing treats in the new technologies or the developing technologies and do not undertake measures in accordance with Article 17 paragraphs (3) and (4) of this Law;
- Pays, receives or exchanges cash in an amount of 15,000 EUR or more in denar counter-value in the form of one or more related transactions in accordance with Article 24 paragraph (1);
- Performs a registration or transaction of securities, other property of legal affairs if the client does not submit a evidence that the transaction of the money is performed through a bank, opposite of Article 24 paragraph (2);
- Does not keep copies of the documents in accordance with Article 28 paragraph (1) of this Law;
- Does not keep copies in accordance with Article 28 paragraph (2) of this Law;
- Does not keep data and documents in accordance with Article 28 paragraphs (3) and (4) of this Law;
- Does not make available the documents in accordance with Article 28 paragraph (10) of this Law;
- The data provided on the basis of this Law is used contrary to Article 29 paragraph (1) of this Law;
- Notifies the client or a third party for the submission of the data to the Office or for other measures and activities undertaken on the basis of Article 29 paragraph (3) of this Law;
- notifies the client or a third party for the submission of the data opposite of Article 29 paragraph (4) of this Law;
- are using the personal data of the client’s file contrary to Article 29 paragraph (5) of this Law;
- Does not submit data, information, and documents to the Office, in accordance with Article 30 paragraph (1) item a) of this Law;
- does not take action in accordance with Article 30 paragraph (2) of this Law;
- does not submit the collected data, information, and documents to the Office, in accordance with Article 30 paragraph (4) of this Law;
- does not submit data for certified agreements with which is obtained a property with value of 15,000 EUR or more in denar counter-value in accordance with Article 32 paragraph (1) of this Law;
- does not confirm the report submitted over phone in accordance with Article 33 paragraph (2) of this Law;
- does not draft program or the program is not in accordance with Article 34 paragraph (1) of this Law;
- do not submit the programs and the amendments of the programs for review and opinion to the Office in accordance with Article 34 paragraph (2) of this Law;
- Does not assign an authorized person in accordance with Article 35 paragraph (1) of this Law;
- refers to a business secret at the submission of the information opposite of Article 39 of this Law;
- does not submit the requested data, in accordance with Article 79 paragraph (3) and
- does not submit the requested data, in accordance with Article 79 paragraph (4)
- Does not notify the Office in accordance with Article 82 paragraphs (2) and (4) of this Law; and
- Does not keep the transaction in accordance with Article 83 paragraph (3) of this Law.
(2) The natural person for the activities of paragraph (1) of this Article, besides with the fine is also imposed with a misdemeanour sanction for prohibition of performing an activity for a period of **up to one year**.
Article 116

A fine of 2,500 to 5,000 EUR in denar counter-value shall be imposed for a misdemeanour to the trustee or the liquidation manager if he does not undertake measures and activities in case when the entity is in procedure of insolvency and liquidation in accordance with Article 5 of this Law.

Article 117

A fine of 1,000 to 2,000 to EUR in denar counter-value shall be imposed to the authorized official or officials that are performing public authority if:

- Does not evident each import and export of money or transferable physical means of payment through the customs border of Republic of Macedonia in accordance with Article 19 paragraph (1) of this Law.

- Does not collect the data in accordance with Article 19 paragraph (2) of this Law;

- Does not report to the Office the entry or exit of money or transferable physical means for payment of over 10,000 EUR in denar counter-value in accordance with Article 19 paragraph (3) of this Law;

- Does not report to the Office the suspicion of money laundering and/or terrorism financing in accordance with Article 19 paragraph (4) of this Law;

- Does not keep all of the data for import or export of money or transferable physical means for payment through the custom border at least 5 years of the day of the performed transfer in accordance with Article 28 paragraph (5) of this Law;

- does not submit the requested data, in accordance with Article 79 paragraph (3) of this Law;

- Does not draft annual plans for performing supervision over the application of the measures and the actions in accordance with Article 91 paragraph (4) of this Law;

- Do not inform the Office when they determine suspicion for money laundering and/or terrorism financing as well as violation to the provisions of this Law in accordance with Article 91 paragraph (6);

- Do not form commissions for performing supervision in accordance with Article 98 paragraph (1) of this Law; - do not notify the Office in accordance with Article 98 paragraph (3) of this Law;

- Does not notify the Office for the submitted request for initiation of misdemeanour procedure in accordance with Article 99 paragraph (1) of this Law and

- Do not notify the Office for the performed supervision over the subjects and for the results of the performed supervisions in accordance with Article 99 paragraph (2) of this Law.

117-a

Measuring of the amount of the fine for legal entity or sole trader shall be done in accordance with the Law on misdemeanours.

Procedure for issuing a misdemeanour payment order

Article 118

(1) For the misdemeanours from Articles 111, 112, 113, 114, 115, 116, and 117 of this Law, the authorities for supervision from Article 91 and the commissions from Article 98 of this Law upon determination of the misdemeanour are obliged to propose to the perpetrator of the misdemeanour a procedure for issuing a misdemeanour payment order before initiating a claim for misdemeanour procedure.
(2) If the supervisory bodies referred to in Article 91 and the commissions from article 98 of this law ascertained the offense, compose a report in which the essential elements of the offense, time, place and manner of committing the misdemeanor, description of the offense and persons involved a proposal for settlement by issuing a misdemeanor payment order. The minutes shall be signed by the supervisory bodies referred to in Article 91, that committee under Article 98 of this law and the perpetrator.

(3) If the perpetrator admits the offense, the supervisory bodies referred to in Article 91, and the commissions from Article 98 of this Law shall immediately issue a misdemeanor payment order.

(4) Upon receipt and signing a payment order to the misdemeanor perpetrator is obliged to pay the fine imposed under paragraph (3) of this Article within eight days of receipt of the misdemeanor a payment order to the account indicated in the payment order.

(5) The perpetrator who will pay the fine within the time limit under paragraph (4) of this article shall pay half of the fine, which rightly teaches in legal instruction.

(6) If the perpetrator does not pay the fine within the period referred to in paragraph (4) of this Article, the supervisory bodies referred to in Article 91, and the commissions from Article 98 of this Law shall submit a request for initiation of infringement proceedings to the competent court.

(7) The supervisory bodies referred to in Article 91, and the commissions from Article 98 of this Law shall keep records of misdemeanor payment orders of paragraph (1) of this Article issued and the outcome of the proceedings initiated.

(8) In the records referred to in paragraph (7) of this Article following information shall be collected, processed and stored: name and surname or name of the perpetrator resides, address, type of violation, the number of misdemeanor payment order that is issued and the outcome of the procedure.

(9) Personal data of paragraph (8) of this Article shall be kept for five years from the date of entry into the records.

(10) The Minister of Finance shall prescribe the form and content of the misdemeanor payment order.

Article 119
A misdemeanour procedure for a committed misdemeanour of the Articles 111, 112, 113, 114, 115, 116 and 117 cannot be initiated or conducted after more than five years of the day when the misdemeanour was committed.

Article 120
For the misdemeanours prescribed in the Articles 111, 112, 113, 114, 115, 116 and 117 of this Law shall decide the competent court in a procedure prescribed with law.

TRANSITIONAL AND FINAL PROVISIONS

Article 121
(1) Bylaws that arise from the Law on Prevention of Money Laundering and terrorism financing (Official Gazette of Republic of Macedonia No. 4/2008, 57/10, 35/11, 44/12 and 43/14) shall continue to apply to the day of the adoption of the bylaw regulations determined with this Law.

(2) The bylaws that arise from this law, the Minister of Finance adopts within 30 days of the day of entering into force of the law.
Article 122
(1) The entities who until the day of entering into force of this law have drafted and submitted programs in accordance with the Law on Prevention of Money Laundering and Other Proceeds from Crime and Financing Terrorism (Official Gazette of Republic of Macedonia No. 4/2008 57/10, 35/11, 44/12 and 43/14), and which contain the elements of the Article 34 paragraph (1) of this Law shall be considered that are drafted in accordance with this Law.

(2) The entities who until the day of entering into force of this law have drafted and submitted programs in accordance with the Law on Prevention of Money Laundering and Other Proceeds from Crime and Financing Terrorism (Official Gazette of Republic of Macedonia No. 4/2008 57/10, 35/11, 44/12 and 43/14), and which do not contain the elements of the Article 34 paragraph (1) of this Law shall be obliged to draft and submit the programs in accordance with this law for review and opinion to the Office within 6 months from the day of entering into force of this Law.

Article 123
The director of the Office assigned until the day of initiation of the application of this Law shall continue performing the function to the expiration of the mandate for which he/she was assigned.

Article 124
The provisions of Article 42 paragraph (2) of this Law shall apply after one year of the date of entering into force of this Law with an exception of the provision of Article 42 paragraph (2) item 4 of this Law which shall start applying after two years of the date of entering into force of this Law.

Article 125
The Law on Prevention of Money Laundering and Other Proceeds from Crime and Financing Terrorism (Official Gazette of Republic of Macedonia No. 4/2008 57/10, 35/11, 44/12 and 43/14) shall no longer be valid from the date of entering into forced of this Law.

Article 126
This Law shall enter into force on the eight day of its publication in the Official Gazette of Republic of Macedonia.