

LAW No. 656 of 7 December 2002  
on the prevention and sanctioning of money-laundering  
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It must be specified that the only text which shall produce legal effects is the Romanian text.

## CHAPTER I

### General provisions

#### ART. 1

The present law institutes measures for preventing and combating money-laundering.

#### ART. 2

Within the meaning of this law:

- a) money-laundering means the offence provided in Article 23;
- b) assets means the tangible and intangible assets, movable or immovable property as well as the legal acts or documents attesting a title or a right with regard to these;
- c) suspicious transaction means the operation which, by its nature and the unusual character in what concerns the client's activities, arises the money-laundering suspicion.

## CHAPTER II

Procedures for the identification of clients and for processing information with reference to money-laundering

#### ART. 3

(1) As soon as the employee of a legal person or one of the natural persons provided in Article 8 has suspicions that an operation which is to take place has the purpose of money-laundering, he shall intimate the person appointed according to Article 14 (1), who shall inform immediately the National Office for the Prevention and Combating of Money-laundering, hereinafter called the Office. The Office shall immediately confirm the receipt of the intimation.

(2) If the Office considers it necessary, it may decide, for solid reasons, the suspension of the operation for a 48-hour period.

(3) If the office considers that the period of 48 hours is insufficient, it may formulate a motivated request, before the expiry of this period, to the Public Prosecutor's Office attached to the Supreme Court of Justice for an extension of the suspension for carrying out the operation by maximum three working days. The Public Prosecutor's Office attached to the Supreme Court of Justice may authorise only once the requested extension or it may order, as the case may be, the cessation of the suspension of the operation.

(4) The Office must communicate to the persons provided in Article 8, within 24 hours, the suspension decision for carrying out the operation or, as the case may be, the measure taken for its extension, ordered Public Prosecutor's Office attached to the Supreme Court of Justice.

(5) If the Office did not make the communication within the time limit provided in paragraph (4), the persons referred to in Article 8 may carry out the operation.

(6) The persons provided in Article 8 or the persons appointed according to Article 14 (1) shall report to the Office, within maximum 24 hours, the carrying out of the operations in cash, in ROL or foreign currency, for which the minimum limit represents the equivalent amount in ROL of EUR 10 000, irrespective of the fact that the transaction is carried out through one or several related operations.

(7) The provisions of paragraph (6) shall also apply to the foreign transfers in or from accounts for amounts for which the minimum limit is the equivalent amount in ROL of EUR 10 000.

(8) The following categories of operations carried on by the state treasury shall be exempted from the report to the Office: release of cash amounts regarding the wage rights, the payments made by the public institutions, amounts cashed from taxes, fees, contributions and any other budgetary incomes from natural

and legal persons, including the cash amounts deposited by the public institutions as well as the operations provided in paragraph (7).

(6) The form and contents of the report for the operations provided in paragraph (1), (6) and (7) shall be established by decision of the plenum of the Office, within 30 days from the date when the present law comes into force.

#### ART. 4

The persons provided in Article 8, who are aware of the fact that an operation which is to be carried out has as purpose money-laundering, may carry out the operation without prior notification to the Office, if the transaction must be carried out immediately or if the failure to carry out the transaction would be prejudicial to the efforts to pursue the beneficiaries of the suspicious transaction. These persons shall be obliged to inform the Office at once, within 24 hours, on the transaction carried out, also stating the reason for which the information was not supplied, according to Article 3.

#### ART. 5

(1) The Office may ask the persons mentioned in Article 8 as well as the competent institutions for the necessary data and information for the fulfilment of the powers established by the law. The information related to the intimations received according to Articles 3 and 4 are confidential.

(2) The persons provided in Article 8 shall transmit to the Office the requested data and information, within 30 days from the date when the application was received.

(3) The professional secret which is binding on the persons provided in Article 8 shall not apply to the Office as well.

(4) The Office may exchange information, based on reciprocity, with foreign institutions having similar functions and which have the obligation to keep the secret in similar conditions, if such communications are carried out for the purpose of preventing and combating money-laundering.

#### ART. 6

(1) The Office shall proceed to the examination and processing of the information and when it is established that there are solid indications with reference to money-laundering, the information shall be immediately transmitted to the general prosecutor of the Public Prosecutor's Office attached to the Supreme Court of Justice.

(2) If, following the examination and processing of the information received by the Office, it is not established that there are solid indications with reference to money-laundering, the Office shall keep the information in its records.

(3) If the information provided in paragraph (2) are not supplemented for 5 years, they shall be classified within the Office.

(4) After receiving the intimations, the Public Prosecutor's Office attached to the Supreme Court of Justice may ask, for solid reasons, to the Office that they are supplemented, if it deems that the information is incomplete.

(5) The Office shall be obliged to make available the data and information obtained according to the provisions of the present law to the Public Prosecutor's Office attached to the Supreme Court of Justice or, as the case may be, to the National Anti-corruption Prosecutor's Office, at their request.

(6) The Public Prosecutor's Office attached to the Supreme Court of Justice shall communicate quarterly, at the request of the Office, the stage of settling the intimations transmitted.

#### ART. 7

The providing in good faith of information, according to the provisions of Articles 3 - 5, by the persons provided in Article 8 or by the persons appointed according to Article 14 (1) may not bring about their disciplinary, civil, or criminal liability.

#### ART. 8

The following shall fall under the provisions of the present law:

- a) the banks, branches of foreign banks and credit institutions;
- b) the financial institutions such as: investment funds, investment companies, investment administration companies, depositing companies, custody companies; securities companies, pension funds, and other similar funds, which carry out the following operations: crediting, including among

others consumer credit, mortgaged credit, factoring, financing of commercial transactions, including forfeiting, financial leasing, payment operations, issuing and administration payment devices, credit cards, traveller's cheques and the like, the granting or assuming of guarantees and subscription of engagements, transactions on one's own account or in the account of clients through the instruments of the monetary market, cheques, payment orders, deposit certificates etc, currency exchange, derived financial products, financial instruments in connection with the rate of exchange or interest rate, securities, participation in issuing shares and the offer of services in connection with these issuing, consulting granted to enterprises in matters of capital structure, industrial strategy, consulting and services in the field of mergers and acquisitions of enterprises, brokerage in the interbanking markets, administration of portfolios and consulting in this field, custody and administration of securities;

c) the insurance and re-insurance companies;

d) the economic units carrying on activities such as games of chance, pawnbroking, sales and purchase of art objects, precious metals and jewels, dealers, tourism, provision of services and any other similar activities which involve the circulation of valuables;

e) the natural and legal persons granting juridical, notary, accounting, financial and banking specialised assistance, with the observance of the legal provisions on the professional secret;

f) the persons with powers in the privatisation process;

g) the postal offices and the legal persons providing services for transmitting money, in ROL or foreign currency;

h) real estate agents;

i) state treasury;

j) foreign exchange offices;

k) any other natural or legal person, by acts and deeds carried out outside the financial and banking system.

#### ART. 9

(1) The legal persons provided in Article 8 shall be under the obligation to establish the identity of clients for the initiation of certain business relations, opening of accounts or provision of services.

(2) The obligation to identify the clients shall be necessary also in case of other operations than those referred to in paragraph (1), with a minimum value representing the equivalent amount in ROL of EUR 10 000, regardless of the fact that the transaction is carried out by one or several operations related.

(3) As soon as an information is obtained that the money-laundering is the purpose of the operation, one shall proceed to the identification of the clients, even if the value of the transaction is lower than the minimum limit established in paragraph (2).

(4) When the amount is not known at the moment when the transaction is accepted, the natural or legal person obliged to identify the clients shall immediately begin their identification, when it is informed about the value of the transaction and when it has determined the fact that the minimum limit provided in paragraph (2) has been reached.

(5) The provisions of paragraphs (1) - (4) shall also apply to the operations carried out between persons which are not personally participating in their carrying out.

#### ART. 10

(1) The identification data of the clients shall include:

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

b) in case of legal persons - data mentioned in the registration documents provided by the law as well as the proof that the natural person conducting the transaction lawfully represents the legal person.

(2) In case of foreign legal persons, when bank accounts are opened the documents which reflect the identity of the firm, its head office, the type of company, place of registration, the special proxy of the person representing it in the transaction as well as a translation into Romanian of the documents authenticated by a notary public office shall be requested.

#### ART. 11

In case there is information with reference to the clients provided in Article 9 and 10, that the

transaction is not carried out under one's own name, the legal persons mentioned under Article 8 shall take measures for obtaining data on the true identity of the person in whose interest or on whose behalf these clients act, including from the Office.

#### ART. 12

(1) The identification requirements shall not be imposed on the insurance or re-insurance companies mentioned under Article 8, in connection with life insurance policies, if the insurance premium or yearly payment instalments are smaller than or equal to the equivalent value in ROL of the amount of EUR 1 000 or the single insurance premium paid is, in ROL equivalent, up to EUR 2 500. If the periodical premium instalments or the annual amounts to be paid are or are to be raised so that the limit of the amount of EUR 1 000 or EUR 2 500, respectively, is exceeded, in ROL equivalent, the identification of the clients shall be requested.

(2) The identification requirements shall not be compulsory in the case of the subscription of the insurance policies issued by the pensions funds, obtained by virtue of a labour contract or owing to the profession of the insured person, on condition that the policy is not redeemable before maturity nor used as guarantee or collateral for obtaining a loan.

(3) The identification requirements shall not be imposed, if it has been established that the payment will be made by debiting an account opened on the client's name at a bank or a savings institution.

#### ART. 13

(1) In each case in which the identity is requested according to the provisions of the present law, the legal person or the natural person provided in Article 8, which has the obligation to identify the client, shall keep a copy of the document, as proof of identity, or identity references, for a period of 5 years, beginning with the date when the relation with the client is ended.

(2) The persons provided in Article 8 shall keep the secondary or operative records and the registrations of all financial operations which are the object of the present law, for a period of 5 years after carrying out each operation, in an appropriate form, in order to be used as proof in justice.

#### ART. 14

(1) The legal persons provided in Article 8 shall appoint one or several persons with responsibilities in the applying of the present law, and their names shall be communicated to the Office, together with the nature and the limits of the responsibilities mentioned.

(2) The persons appointed according to paragraph (1) shall be in charge of the fulfilment of the tasks established for the applying of the present law.

#### ART. 15

The persons appointed according to Article 14 (1) and the persons provided in Article 8 shall draw up for each transaction a written report, in the form established by the Office, which shall be immediately transmitted to the latter.

#### ART. 16

(1) The legal persons provided in Article 8 shall establish adequate procedures and methods for the internal control in order to prevent and stop money-laundering and shall ensure the instruction of the employees in order to recognise the operations which might be related to money-laundering and taking the immediate measures required by such situations.

(2) The Office shall participate in the special instruction programmes of the representatives of the persons provided in Article 8.

#### ART. 17

(1) The authorities with financial control powers, according to the law, and those for the prudential supervision of the persons specified under Article 8 shall verify and control, within their job duties, the way in which the provisions of the present law are applied, and they shall inform the Office at once when the obtained data reflect certain money-laundering suspicions or other violations of the provisions of the present law.

(2) The Office may carry out joint verifications and controls with the authorities provided in paragraph (1) at the persons mentioned in Article 8.

#### ART. 18

(1) The personnel of the Office shall be obliged not to disclose the information received during their activity except when provided by the law. The obligation shall be also maintained after the cessation of the position, for a period of 5 years.

(2) The persons provided in Article 8 and their employees shall be obliged not to transmit, outside the terms of the law, the information held in connection with money-laundering and not to warn the clients with regard to the intimation of the Office.

(3) The use for personal ends by the personnel of the Office and by the persons provided in Article 8 of the information received both during the activity and after its cessation shall be prohibited.

### CHAPTER III

#### The National Office for the Prevention and Control of Money-laundering

##### ART. 19

(1) The Office shall operate as a specialised body with legal personality, in the subordination of the Government, having its head office in the municipality of Bucharest.

(2) The Office has as its object of activity the prevention and combating of money-laundering, to which end it shall receive, analyse, process information and informs, under the terms of Article 6 (1), the Public Prosecutor's Office attached to the Supreme Court of Justice.

(3) With a view to exercising its attributions, the Office shall constitute its own apparatus, at central level, and the organisation chart of this apparatus shall be approved by Government decision.

(4) The Office shall be conducted by a chairman with rank of secretary of State, appointed by the Government from among the members of the plenum of the Office, having also the quality of loan manager.

(5) The plenum of the Office shall be the deliberative and decision-making structure, formed of one representative each of the Ministry of Public Finance, the Ministry of Justice, the Ministry of the Interior, the Public Prosecutor's Office attached to the Supreme Court of Justice, the National Bank of Romania, the Court of Audit and the Romanian Association of Banks, appointed for a period of 5 years, by Government decision.

(6) In exercising its attributions the plenum of the Office shall adopt decisions with the vote of the majority of its members.

(7) The members of the plenum of the Office, at the date of their appointment, must fulfil the following conditions:

- a) they must have a university degree and a length of service in an economic or legal position of at least 10 years;
- b) they must have their domicile in Romania;
- c) they must have only Romanian citizenship;
- d) they must enjoy the exercise of their civil and political rights;
- e) they must enjoy an intact high professional and moral reputation.

(8) The members of the plenum of the Office shall be forbidden to be a part of the political parties or to carry on public activities of a political character.

(9) The position of member of the plenum of the Office shall be incompatible with any public or private positions, except for teaching positions in higher education institutions.

(10) The members of the Office shall have the obligation to communicate immediately, in writing, to the chairman of the Office the occurrence of any situation of incompatibility.

(11) During the period of filling their position, the members of the plenum of the Office shall be seconded, respectively their labour contract shall be suspended, and when their term of office comes to an end they shall return at the position previously held.

(12) In case of vacancy of a position within the framework of the plenum of the Office, the head of the competent authority shall propose to the Government a new person, within 30 days from the date when the position becomes vacant.

(13) The term of office of member of the plenum of the Office shall cease in the following situations:

- a) at the expiry of the time limit for which he was appointed;
- b) by resignation;
- c) by demise;
- d) by the impossibility of exercising the term of office for a period longer than 6 months;
- e) when incompatibilities occur;
- f) by dismissal ordered by the authority which made the appointment.

(14) The personnel hired within the framework of the Office may not fill any position nor fulfil any function within any of the legal persons provided in Article 8 simultaneously with the quality of employee of the Office.

(15) For the operation of the Office the Government shall transfer to its administration the necessary real estate - land and buildings - from the public and private domain, within 60 days from the date when the application was registered.

(16) The Office may participate in the activities of the specialised international bodies and it may have the status of member of these. The plenum of the Office shall decide on the opportunity concerning the participation in these activities.

#### ART. 20

(1) The members of the plenum of the Office shall benefit from the rights provided by the law for the persons filling public dignity positions. The allowance of the members of the plenum of the Office shall be established according to the provisions of Article 19 and of point 6 of the Annex II/2 of the Law No. 154/1998 on the system for the establishing of the basic wages in the budgetary system and of the allowances for the persons filling public dignity positions, with the subsequent amendments and additions.

(2) The wages of the specialised personnel and of the auxiliary specialised personnel shall be established by the Law No. 50/1996 on the wages and other rights of the personnel within the judicial authority bodies, republished, with the subsequent amendments and additions.

(3) The list of positions, the requirements regarding the studies and the length of service for the employment, promotion and wages of the personnel of the Office as well as the legal regulation depending on which the wages are established are included in the annex which is an integral part of the present law.

(4) The promotion by professional degrees and ranks of the personnel provided in paragraph (2) shall be carried out by professional tests, under the conditions of length of service established according to the annex.

(5) The employment allowance of the specialised personnel, established according to Chapter I in the annex, shall be the only monthly remuneration of the activity corresponding to the position without granting any of the wage increases provided by the Law No. 50/1996, republished, with the subsequent amendments and additions, and it shall constitute the calculation base for establishing the rights and obligations determined in ratio with the income from wages.

(6) The auxiliary specialised personnel shall also benefit, besides the basic wage established according to the annex of the present law, from the wage increases provided by the Law No. 50/1996, republished, amended and supplemented by the Government Ordinance No. 83/2000, approved with amendments by the Law No. 334/2001, for the positions with which they are assimilated.

(7) The personnel within the Office, filling position specific to the budgetary sector, shall be remunerated according to the legislation referring to the wages of the personnel within the ministries and other specialised central bodies.

(8) The personnel remunerated based on the present law shall be entitled for the period of the medical leave, besides the medical leave allowance, to a premium equal to the gross employment allowance or, as the case may be, to the gross basic wage of the month prior to the medical leave, on which the tax shall be applied separately.

#### CHAPTER IV

##### Responsibilities and sanctions

## ART. 21

The infringement of the provisions of the present law shall bring about civil, disciplinary, contraventional or criminal liability, as the case may be.

## ART. 22

(1) The following deeds shall constitute contraventions:

- a) the non-observance of the obligations provided in Article 3 (1) and (6), Article 4 and 9;
- b) the non-observance of the obligations provided in Article 5 (2), Article 11, Article 13 - 15, Article 16 (1) and Article 17.

(2) The contraventions provided in paragraph (1) a) shall be sanctioned with fine from ROL 20 000 000 to ROL 100 000 000, and the contraventions provided in paragraph (1) b) shall be sanctioned with fine from ROL 30 000 000 to ROL 200 000 000.

(3) The sanctions provided in paragraph (2) shall also be applied to the legal persons.

(4) The contraventions shall be found and fines applied by personnel appointed within the Office and the authorities provided in Article 17.

(5) The provisions of the present law referring to contraventions shall be supplemented accordingly with the provisions of the Government Ordinance No. 2/2001 on the legal regime of contraventions, approved with amendments and additions by the Law No. 180/2002, with the subsequent amendments, except for Article 28 and 29.

## ART. 23

(1) The following deeds shall constitute the offence of money-laundering and be sanctioned with imprisonment from 3 to 12 years:

- a) the exchange or transfer of assets, knowing that they are derived from the perpetration of offences, for the purpose of concealing or dissimulating their illicit origin or for the purpose of helping the person who committed the offence from which the assets are derived to elude the prosecution, trial or the serving of the sentence;
- b) the hiding or dissimulation of the real nature of the origin, belonging, disposition, movement or ownership of assets or the rights over them, knowing that these assets are derived from the perpetration of offences;
- c) the acquiring, possession or use of goods, knowing that they are derived from the perpetration of offences.

(2) \*\*\* Repealed

(3) Any attempt shall be punished.

## ART. 24

The non-observance of the obligations provided in Article 18 shall constitute an offence and shall be punished with imprisonment from 2 to 7 years.

## ART. 25

(1) In the case of the offences provided in Article 23 and 24 the provisions of Article 118 of the Criminal Code on the confiscation of the assets shall be applied.

(2) If the assets which are subject to the offence provided in Article 23 can not be found, their equivalent value in money or the goods acquired instead of these shall be confiscated.

(3) In order to guarantee the fulfilment of the assets confiscation the protective measures provided by the Code of criminal procedure may be taken.

## ART. 26

In case of the offences provided in Article 23 and 24, the banking secret and the professional secret shall not apply to the criminal prosecution bodies, after the prosecutor began the criminal prosecution, nor to the courts of law. The data and information requested by the prosecutor or by the court shall be communicated by the persons provided in Article 8, at the written request of the prosecutor, during the criminal prosecution, or of the court, during the trial.

## ART. 27

(1) When there are solid indications that a person organising the perpetration of a money-laundering

offence uses telecommunication or informatics systems, the prosecutor may order, for a definite term, the access to these systems.

(2) The prosecutor may also order, when there are solid indications with regard to the perpetration of a money-laundering offence, that the bank accounts and the accounts assimilated to these are put under supervision for a definite term.

(3) The provisions of Article 91<sup>1</sup> - 91<sup>5</sup> of the Code of criminal procedure shall apply accordingly.

## CHAPTER V

### Final provisions

#### ART. 28

The identification of clients, according to Article 9, shall be made from the date of coming into force of the present law.

#### ART. 29

The minimum limit of the operation provided in Article 9 (2) and the maximum limits of the amounts provided in Article 12 (1) may be modified by Government decision, at the proposal of the Office.

#### ART. 30

Within 30 days before the coming into force of the present law, the Office shall present to the Government for approval its own Organisation and Operation Rules.

#### ART. 31

The Law No. 21/1999 for the prevention and sanctioning of money-laundering, published in the Official Gazette of Romania, Part I, No. 18 of 21 January 1999, with the subsequent amendment, shall be repealed.

## ANNEX 1

I. The wages of the specialised personnel of the National Office for the Prevention and Combating of Money-laundering

No.	Position	Level of studies	Legal regulation depending on which the wages are established	Length of service in the specialisation
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1.	Manager	S	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 1 Chapter A No. 15	-
2.	Head of department	S	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 1 Chapter A No. 16	-
3.	Financial analyst 1st degree	S	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 1 Chapter A No. 17	8 years in economic or legal positions
4.	Financial analyst 2nd degree	S	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 1 Chapter A No. 22	6 years in economic or legal positions

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5. Financial analyst 3rd degree	S	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 1 Chapter A No. 23	4 years in economic or legal positions
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6. Financial analyst 4th degree	S	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 1 Chapter A No. 28	2 years in economic or legal positions
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II. The wages of the auxiliary specialised personnel of the National Office for the Prevention and Combating of Money-laundering

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No. Position	Level of studies	Legal regulation depending on which the wages are established	Length of service in the specialisation
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1. Assistant analyst 1st rank	M	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 2 Chapter A No. 9	7 years in auxiliary legal, economic and administrative positions
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1. Assistant analyst 2nd rank	M	The multiplication coefficient provided in the Government Ordinance No. 83/2000 Annex No. 2 Chapter A No. 10	4 years in auxiliary legal, economic and administrative positions
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NOTE:

For the IT activity the graduates of the higher education institutions specialised in IT may be hired for the position of financial analyst.

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