

Law of the Republic of Azerbaijan
On the Prevention of the Legalization of Illegally Obtained Funds Or Other Property and
the Financing of Terrorism

SECTION I

GENERAL PROVISIONS

This law is aimed at creating a legal mechanism for detecting and preventing the offenses related to the legalization of illegally obtained funds or other property and the financing of terrorism; creating a regime that excludes the utilization of the financial system for the purposes of the legalization of illegally obtained funds or other property and the financing of terrorism; and protecting the interests of the state and public.

Article 1. Scope of application of this Law

This Law shall apply to the citizens of the Republic of Azerbaijan, foreign citizens, stateless persons, legal persons in regard to the operations with the funds or other property, as well as to the state authorities supervising the operations with the funds or other property in the territory of the Republic of Azerbaijan.

This Law shall also apply to the activities related to the legalization of the illegally obtained funds or other property and the financing of terrorism and carried out outside the territory of Azerbaijan in accordance with the international conventions to which Azerbaijan is a party.

Article 2. Basic definitions

The definitions used in this Law shall have the following meanings:

Illegally obtained funds or other property– any money funds or movable and immovable, corporeal or incorporeal property and a legal document evidencing title it, obtained by violating the legislation of the Republic of Azerbaijan or international treaties to which Azerbaijan is a party

Legalization of illegally obtained funds or other property– active concealing or any activity aimed at concealing the real sources of illegally obtained funds or other property with the purpose of extending a legal status to them;

Operations with funds or other property – acquisition, use, and change of ownership rights of the funds or other property as a result of the operations with them;

Financing of terrorism – total or partial, direct or indirect, willful allocation of the funds or other property into the financing of terrorism or collection of the funds or other property for this purpose;

Competent authority (Financial Monitoring Body) – a responsible authority of the Republic of Azerbaijan for conducting the activity against the legalization of illegally obtained funds or other property and the financing of terrorism.

Monitoring – measures of control carried out by the competent authority, based on the information about the operations with the funds or other property received from the monitoring entities taking part in the execution of these operations or the state supervision authorities, as well as other information received from known sources

Monitoring entities– physical and legal persons as defined in Article 4 of this Law and obligated to implement the measures stipulated under Articles 10, 11, 12 and 14 of this Law for the purposes of preventing the legalization of illegally obtained funds or other property and the financing of terrorism.

Internal control system – the complex mandatory internal control measures due to be prepared and implemented by the monitoring entities. These measures include precise identification, documentation, confidentiality, training programs, criteria for detecting the operations subject to monitoring taking account of the specialty of the monitoring entity's activity, internal audit mechanisms, appointment of responsible persons, as well as other mechanisms and rules.

Politically important person– a person presently holding or having held an important public position in any foreign country (heads of states or governments, members of governments, high ranking judicial or military officials, chief executive officials of state owned entities, officials of political parties), their close relatives (wife, husband, parents of spouses, grandmother, grandfather, child, adopted child, sister, brother), agents operating on their behalf;

Customer – any physical or legal person using the services offered by the monitoring entity, which can result in the operations with the funds or other property.

Beneficiary – the latter physical and legal person making an economic or any other benefit from the operations with the funds or other property

Currency funds – cash foreign currency, securities which amount or nominal is expressed in foreign currency, cash payment documents in foreign currency, fund resources and other credit obligations, precious stones, precious metals, as well as the jewelries and other goods made from the precious stones and precious metals, and bank metals.

SECTION II

Prevention of the legalization of illegally obtained funds or other property and the financing of terrorism

Article 3. Measures against the legalization of illegally obtained funds or other property and the financing of terrorism.

3.1 Measures against legalization of illegally obtained funds or other property and the financing of terrorism include:

3.1.1 monitoring;

3.1.2 preparation and application of the internal control system;

3.1.3 prohibition of informing the customer or any other person on the measures implemented against the legalization of illegally obtained funds or other property and the financing of terrorism, excepting the circumstances stipulated by the laws of the Republic of Azerbaijan;

3.1.4. other measures as defined by the competent authority in accordance with the legislation of the Republic of Azerbaijan.

Article 4. Monitoring entities

4.1 Monitoring entities, which are registered in the Republic of Azerbaijan, include the followings:

4.1.1 credit organizations;

4.1.2 insurance and reinsurance companies, broker offices and insurance agents operating on the insurance and reinsurance activity;

4.1.3 brokers, who professionally participate in the securities market and those, who professionally operate in the management of securities;

4.1.4 leasing companies;

4.1.5 post, telegraph services and other organizations operating for the transfer of the funds;

4.1.6 pawnshops;

4.1.7 investment funds;

4.1.8 notaries;

4.1.9 physical and legal persons trading with precious stones, precious metals, as well as the jewelry or the other things made from the precious stones and precious metals, bank metals and antique goods;

4.1.10 any non-governmental organization and religious organization, receiving, collecting, giving, or transferring the funds, as a major part of its activity;

4.1.11 a lottery organizer;

4.1.12 real estate agent

Article 5. State supervision authorities

State supervision authorities shall include the following state bodies:

- a) The authority carrying out state control over the activity of credit organizations- for the credit organizations;
- b) The authority carrying out state control in the securities market - for brokers, who professionally participate in the securities market, those who professionally operate in the management of securities; lottery organizers; investment funds;
- c) The authority carrying out state control over the insurance and pawnshop activity– for the insurance and reinsurance companies, broker offices and insurance agents operating on the insurance and reinsurance activity; pawnshops.
- d) The authority carrying out state control over the activity of post and telegraph organizations– for the post and telegraph organizations;

- e) The authority carrying out state control over the activity of notaries and non-governmental organizations– for the notaries; nongovernmental organizations.

Article 6. Operations with the funds and other property subject to monitoring

6.1. Below listed operations with the funds or other property, total amount of which exceed the equivalent of fifteen thousands conventional financial unit (hereinafter “the limit”) shall be subject to monitoring:

6.1.1 operations through the credit organizations;

6.1.1.1 depositing the funds into the bank account and withdrawing or transferring those funds in the same or the next operational day;

6.1.1.2 opening of numerous bank accounts by a customer, which are disproportional to his/her business activity and financial status, as well as carrying out transfers between these or to other accounts;

6.1.1.3 operations carried out by a customer not in compliance with his/her financial status or business activity.

6.1.1.4 operations carried out by the customer within a day or a few days, the characters of which are particularly different from the customer’s usual operations;

6.1.1.5 opening of a saving account for the benefit of the third person and depositing cash funds into that account;

6.1.1.6 bank transfers made by the legal person to the account of a physical person or the contrary;

6.1.1.7 depositing and withdrawing money funds to and from the bank account of a legal person which is registered less than three months ago, as well as in the absence of any bank operations from the account for six months;.

6.1.1.8 any operations from the account of non-governmental organizations and religious organizations;

6.1.1.9 depositing and/or withdrawing cash funds to and from the account of physical or legal persons engaged in suspicious business activity;

6.1.1.10 purchase and sale of cash foreign currency;

6.1.1.11 any cash share investment of a physical person in the statutory capital of a legal person;

6.1.1.12 placement of money funds in a bank located outside of the Azerbaijan Republic as a collateral for a formalized credit;

6.1.2 operations with the securities

6.1.2.1 purchase of the securities in cash by physical and legal persons;

6.1.2.2 customer's order for the securities in a price that is considerably different from the market price;

6.1.2.3 purchase and cashing of travel cheques or other means of payment of the same character;

6.1.3 insurance operations

6.1.3.1 payment of insurance fare, insurance amounts on all types of insurance, as well as the life insurance and other savings insurances;

6.1.3.2 insurance accident happened shortly after the signing of the insurance contract;

6.1.4 payment of funds through notary offices' deposit accounts in the banks when the parties conclude a contract via notary;

Article 7. Operations that are subject to monitoring regardless of their amount

7.1 Operations with the funds and other property involving the following features shall be subject to monitoring regardless of their amount:

7.1.1 any operation with the funds or other property related to the person, who is a citizen of the state (territory) suspected of participating in illegal drug production, the financing of terrorism, the legalization of illegally obtained funds or other property, or a citizen of the state, which does not require disclosing identification information when conducting financial operations; a person registered in this state (territory), a person who has a residency and permanent business in this state, as well as a person, who has a bank account that was registered in the above mentioned states (territories);

The competent authority shall define the list of the above-mentioned countries.

7.1.2 any operations from the account of politically important persons;

7.1.3 regular and frequently repeated operations conducted by a customer in the amounts less than the limit defined by this Law;

7.1.4 any operations with bearer securities;

7.1.5 any deposits transferred from the anonymous account out of the jurisdiction of the Republic of Azerbaijan or an attempt to transfer funds to the anonymous account that is out of the jurisdiction of the Republic of Azerbaijan.

7.2 Information about the operations conforming the criteria set out in Article 7.1 shall be submitted to the competent authority before executing the operation and as defined in Article 12.

Article 8. Monitoring of transportation of currency funds into or from the territory of the Republic of Azerbaijan

8.1. If the transportation of the currency funds into or from the territory of the Republic of Azerbaijan include below-provided features, they shall be subject to monitoring:

8.1.1 if a person or several physical persons transport the currency funds into or from the territory of the Republic of Azerbaijan on a regular basis in the amount not exceeding the limit as defined by the legislation of the Republic of Azerbaijan with the purpose of not submitting a relevant bank statement;

8.1.2 if the amount of transported currency funds into or from the territory of the Azerbaijan Republic by a person or several interrelated persons, exceeds the equivalent of ninety thousand conditional financial units in the period of a month;

8.1.3 if the transportation of currency funds into or from the territory of the Republic of Azerbaijan is related to the person, who is a citizen of a state (territory) suspected of participating in illegal drug production, the financing of terrorism, the legalization of illegally obtained funds or other property, or a citizen of a state, which does not require disclosing identification information when conducting financial operations, a person registered in this state (territory), a person who has a residency and permanent business in this country, as well as a person who has a bank statement from a bank that was registered in the above mentioned states (territories);

8.1.4 if the transportation of the currency funds into or from the territory of the Republic of Azerbaijan is related to the person, initial outlet point of whose, is a state (territory) suspected of participating in the illegal drug production, the financing of terrorism, the legalization of illegally

obtained funds or other property, or a citizen of a state, which does not require disclosing identification information when conducting financial operations.

The competent authority shall define the list of above-mentioned states.

8.2 The customs services of the Republic of Azerbaijan shall submit the information about the operations that include the features listed in Article 8.1 to the competent authority within three calendar days. The State Customs Committee and the competent authority shall together define the form of compiling information.

Article 9. Exemption from reporting

9.1 Monitoring entities may request the competent authority on the individualized basis to exempt their customers, who are the legal persons, the customers' operations as defined in Article 6 of this Law, fully or partially, from the reporting for a period 1 (one) year.

9.2 The grounds for exemption reporting from shall be comprehensively explained and justified in the petition. The competent authority shall define the form and the content of a petition, as well as the criteria for the exemption of the customer or its operations, as defined in Article 6 of this Law, from the reporting.

9.3 The competent authority shall consider and make a relevant decision on the petition for the exemption from reporting within thirty calendar days from the date of its submission. In all cases, the competent authority shall inform the applicant on its decision within three calendar days at the latest.

9.4 The customer shall not be informed about the decision made on the exemption from reporting.

9.5 The competent authority may cancel the permission on the exemption from reporting under the following circumstances:

9.5.1 if the period of the validity of permission is over;

9.5.2 if the operation activity, which is exempted from reporting, a customer, who ordered an operation, or a beneficiary of the operation is suspected of being related to the legalization of illegally obtained funds or other property;

In this case, the competent authority shall immediately inform the monitoring entity on the decision to cancel the permission on the exemption from reporting and the grounds that form a basis for that.

9.6 If the monitoring entity appropriately requests, the competent authority may extend the permission on the exemption from the reporting for the customers of monitoring entities', the customers' operations, as defined in Article 6 of this Law, fully or partially, for a similar term.

9.7 The monitoring entity shall not disclose the information about exempted customers and their operations, while the permission on exemption is effective.

9.8 The competent authority may require the monitoring entities to submit the identification and operation documents regarding the operations carried out by the customers of the monitoring entities within a period covered by the term of permission on the exemption from reporting.

Article 10. Identification of the customers and beneficiaries

10.1 Before establishing business relationship or executing an operation that exceeds the limit and conforms to the criteria as defined in Article 7 of this Law, the monitoring entities shall precisely identify their customers and beneficiaries and if possible learn the customer's intention in establishing business relations, as well as the assumed nature of this business relationship.

10.2 Identification of legal persons shall be carried out on the basis of the notary-approved copies of their charter and their state registration documents. These documents shall remain at the monitoring entity.

10.3 Identification of physical persons shall be carried out on the basis of their ID documents. A copy of ID document shall remain at the monitoring entity.

10.4 Identification of physical persons engaged in the entrepreneurship activity without forming a legal entity shall be carried out on the basis of their ID documents and the certificate given by the relevant tax agency. A copy of the ID document and a tax certificate shall remain at the monitoring entity.

10.5 Individuals operating on behalf of third persons shall submit the documents listed in Articles 10.2, 10.3 and 10.4 of this Law and information that make possible to identify third persons on behalf of whose, the operation is carried out (for state and municipal bodies – name, location address; for physical persons – first/last and middle names, the details of the ID document, for legal persons – name and the details of the state registration document). From the submitted documents, a copy of ID document, a notary-approved copy of the certificate given by a relevant tax agency a charter of the legal person and a state registration document of the legal person shall remain at the monitoring entity.

10.6. In accordance with the current legislation, the monitoring entity may apply additional identification measures under the circumstances listed below and shall inform the competent authority about it before executing the operation:

10.6.1 if an order to carry out an operation conforming the criteria stipulated under Article 6 of this Law has been received;

10.6.2 if the previously received identification information about the customer and beneficiary has been detected to be false;

10.6.3 if any doubt occurs on the engagement of the executed operation, a customer or a beneficiary with the legalization of illegally obtained funds or other property or the financing of terrorism.

10.6.4 if any doubt occurs that the customer doesn't operate on his/her own behalf and represent a third person.

10.7 The monitoring entities shall apply the following additional identification measures:

10.7.1 identification of the purpose of the customer's operations through inspecting the accounts and business relations;

10.7.2 identification of the share structure and their main holders, if the customer is a legal person;

10.7.3 obtaining and comparing more precise information about the customer, the beneficiary, the executed operation and if possible, the sources of funds and other property from other trustworthy sources.

10.8 If the total amount of the operation is not known before the execution of that operation, the identification of the customer and the beneficiary shall be carried out when it is discovered that the amount of operation exceeds the limit.

10.9 If it is impossible not to execute the operation, which is assumed to be implemented for the purposes of money laundering, and the financing of terrorism, or by not executing it the efforts to follow the beneficiaries of the operation may be hampered, the monitoring entity shall inform the competent authority immediately after having effected the operation.

10.10 The monitoring entities shall not execute the operation, if the identification of the parties to this operation as defined by this Law is impossible or the customer refuses to present the identification information.

10.11 Taking account of the specific activity of the monitoring entity, additional documents for the identification of the customer and the beneficiary may be required.

10.12 Physical and legal persons trading with precious stones, precious metals, as well as the jewelry or the other things made from the precious stones and precious metals, bank metals and antique goods, as well as real estate agents shall carry out the identification measures as defined in this Article solely for the operations that exceed the limit.

Article 11. Obligation to preserve the identification and operational documents

11.1 The monitoring entities shall preserve the identification and operation documents as defined in Article **10** of this Law in the information carriers or in the electronic format within the timeframes indicated below after the legal relations with a customer is finished or the operation is completed.

11.1.1 customer identification documents –at least 5 (five) years after the customer’s account is closed or the legal relations with a customer are finished;

11.1.2 documents on the operations conducted by the customer (receipts, ground for conducting operations etc.,) and the reports prepared in accordance with Article 12 of this Law – at least 5 (five) years after the operation was conducted.

If case of necessity, the monitoring entity shall submit this information to the competent authority.

Article 12. Submission of information to the competent authority

12.1 The monitoring entities shall document the following information listed in Articles 6 and 7 of this Law and submit in the format defined by the competent authority within 3 (three) business days after receiving the order to execute the operation. The submitted information shall include at least the followings:

12.1.1 type of operation;

12.1.2 date of operation;

12.1.3 amount of executed operation;

12.1.4 necessary information received by the monitoring entities in accordance with Articles 10.2 and 10.3 of this Law for the identification of legal and physical persons conducting the operation;

12.1.5 necessary information received by the monitoring entities in accordance with Article 10.4 of this Law for the identification of physical persons engaged in the business activity without creating a legal person;

12.1.6 necessary information received by the monitoring entities in accordance with Article 10.5 of this Law for the identification of the third person, if the operation is conducted for the benefit of the third person;

12.1.7 necessary information received by the monitoring entities in accordance with Article 10.5 of this Law for the identification of the person acting on behalf of a third person, if the operation is conducted for the benefit of the third person;

12.1.8 information about the beneficiary;

12.1.9 information on the nature, as well as the chronological history of the operation

12.1.10 the grounds stipulating the suspiciousness of the given operation;

12.2 In case of urgency, the information mentioned in Article 10 of this Law may be orally submitted to the competent authority. In this case, the same information shall be submitted to the competent authority in a written format not later than in 3 (three) business days.

12.3 In accordance with this Law, the information submitted to the competent authority shall be kept confidential and be disclosed only to the investigation and inquiry bodies upon the court decision that has come into force.

Article 13. Submission of information to the competent authority by the state supervision authorities

13.1 If the state supervision authorities of the Republic of Azerbaijan detect that information on the operations subject to monitoring has not been submitted to the competent authority in accordance with Article 12 of this Law, that information shall be submitted to the competent authority.

13.2 For the purposes of preventing the legalization of illegally obtained funds or other property and the financing of terrorism, the competent authority may request the state supervision authorities to submit relevant information. In this case, requested information shall be submitted to the competent authority.

13.3 If the competent authority in carrying out its functions detects any information of non-compliance by the monitoring participants with the requirements of this Law, it may transfer this information to the relevant state supervision authorities.

Article 14. Internal control system of the monitoring entities, which are the legal persons, against the legalization of illegally obtained funds or other property and the financing of terrorism

14.1 The monitoring entities, which are the legal persons, shall prepare and implement internal control system against the legalization of illegally obtained funds or other property and the financing of terrorism. This system shall include at least the followings:

14.1.1 preparation of the internal rules and procedures of conduct against the legalization of illegally obtained funds or other property and the financing of terrorism;

14.1.2 preparation of a centralized internal archive, which shall make it possible to identify the customers, the persons acting on behalf of a third person, the persons on behalf of whom the operations are conducted, the beneficiaries, and the operations;

14.1.3 preparation of the rules on the documentation and the confidentiality of information;

14.1.4 training of the personnel on the activity against the legalization of illegally obtained funds or other property and the financing of terrorism on a permanent basis;

14.1.5 definition of the criteria for detecting the operations due to be monitored taking account of the specialization of the activity of the monitoring entities;

14.1.6 definition of the measures to be taken in case of the problems caused by the freezing and suspension of the accounts;

14.1.7 establishment of the internal audit mechanism for inspecting the effectiveness of the application of the rules as stipulated by this Law;

14.1.8 appointment of a person at the level of management or heads of structural units, who shall be responsible for controlling the implementation of internal rules and procedures on the activity against the legalization of illegally obtained funds or other property and the financing of terrorism, for carrying out the exchange of information with the competent authority, as well as preparing and submitting reports on the suspicious operations;

14.1.9 preparation of other mechanisms and rules, including special identification measures in regard to Politically important persons, as well as ongoing screening and hiring mechanism, for

detecting and preventing any operations, the character of which, are suspicious, depending on the specialization of the activity and submission of the necessary information to the competent authority in accordance with Article 12 of this Law.

14.2 A person defined in Article 14.1.8 shall report only to the senior management (board of directors, director, etc).

14.3 The monitoring entities shall prepare their internal control systems in accordance with the requirements of the competent authority's decision.

14.4. The monitoring entities, the quarterly turnover of which, is less than the equivalent of twenty-two thousands and five hundreds conditional financial unit shall be exempted from the requirement to prepare the internal control system.

Article 15. Exemption from liability for good faith reporting of the operations subject to monitoring

If the monitoring entities and its personnel, as well as the personnel of the state supervision authorities submit the information conforming the criteria as defined by this Law to the competent authority in good faith, they shall be exempt from any liability for breaching the bank and other legally protected secrecy, as well as causing the material and moral damage emerged as a result of the disclosure of information.

Article 16. Exemption from liability for executing the operation

If the operation, which is subject to monitoring, has been executed and there is no criminal bargain between the responsible persons of the monitoring entity and the customer, who conducted the suspicious operation, also if the information on this operation has been reported to the competent authority in accordance with Article 12 of this Law, the monitoring entity and its personnel shall be exempt from the liability.

Article 17. Prohibition of invoking the secrecy to reject presenting information

Banking or other legally protected secrecy regimes shall not be invoked as a ground to reject presenting information as defined in Article 10 of this Law.

The requirements of this Law shall not apply to the state secrets as defined by the legislation.

SECTION III

Organization of the activity of the competent authority

Article 18. Competent authority

18.1 The competent authority is the authority of the Republic of Azerbaijan responsible for conducting the activity against the legalization of illegally obtained funds or other property and the financing of terrorism.

18.2 Functions and competencies of the competent authority on the activity against the legalization of illegally obtained funds or other property and the financing of terrorism shall be defined by this Law.

18.3 The competent authority shall gather and analyze the information submitted by the monitoring entities mentioned in Article 4 of this Law, as well as the state supervision authorities mentioned in Article 5.

18.4 The personnel of the competent authority shall protect the confidentiality of the presented information, and the usage of this information solely for the goals of this Law.

Article 19. Access to identification and operational information

19.1 Upon receiving information from the known sources about the operation, which is subject to monitoring, the competent authority, may request the monitoring entities and the state supervision authorities to submit the information as defined in Article 10 of this Law for the purposes of inquiry.

19.2 In carrying out its functions, the competent authority may request the monitoring entities and the state supervision authorities to submit the additional information as defined in Article 12 of this Law within the framework of inquiry against the legalization of illegally obtained funds or other property and the financing of terrorism.

19.3 The competent authority shall be provided with an access to the databases of the state authorities defined by the relevant executive organ for the purposes of this Law.

19.4 Information on the operation, which is subject to monitoring, shall be submitted to the competent authority in a written format. A paper copy of the information presented in the electronic format shall be kept for at least 5 (five) years at the monitoring entity.

Article 20. The supervision of state supervision authorities over the implementation of the requirements of this Law by the monitoring entities.

20.1 The relevant state supervision authorities of the Republic of Azerbaijan shall supervise over the monitoring entities to abide by the requirements of the Articles 10, 11, 12, and 14 of this Law.

20.2. If there is no state supervision authority supervising the activity of the monitoring entities, the Ministry of Taxes shall supervise over the implementation of the requirements of this law,

Article 21. Suspension of the execution of operation

21.1 Taking account of the seriousness and urgency of the situation, the competent authority may suspend the operation, which is subject to monitoring, for not more than 2 (two) days based on the information received from the monitoring entities or any other source.

In this case, the relevant instruction shall be immediately sent to the monitoring entity executing the operation.

21.2 Execution of the operation, which is subject to monitoring, may additionally be suspended for 3 (three) more days with a court decision made upon the representation of the competent authority.

21.3 Information about the suspension of the execution of operation shall not be disclosed to customer.

Article 22. Submission of the information about the operation, which is subject to monitoring to the relevant law-enforcement agencies

If the competent authority, based on the conducted research, suspects that the executed operation is related to the legalization of illegally obtained funds or other property and the financing of terrorism, it shall submit relevant information to the investigation and inquiry bodies.

SECTION IV

International cooperation in the field of the prevention of the legalization of illegally obtained funds or other property and the financing of terrorism

Article 23. Exchange of information and legal assistance

23.1 The competent authority shall cooperate with the competent authorities of foreign states in gathering and analyzing relevant information in accordance with the legislation of the Republic of Azerbaijan and the international treaties to which the Republic of Azerbaijan is a party.

23.2 The competent authority shall submit accessible information to the foreign competent authorities upon their requests or on its own initiative in accordance with the legislation of the Republic of Azerbaijan and the international treaties to which the Republic of Azerbaijan is party.

23.3 If the information obtained by the competent authority forms a basis for a competent authority of the foreign state to initiate an investigation or to send a relevant request, this information shall be submitted to the competent authority of the foreign state only if it does not contradict with the legislation of the Republic of Azerbaijan and does not affect its national interests.

23.4 The submitted information shall be used solely for the purposes indicated in the request.

23.5 The competent authority shall regulate the execution of requests on the freezing and seizure of illegally obtained funds or other property made by the competent authorities of the foreign states in accordance with the legislation of the Republic of Azerbaijan and the international treaties to which the Republic of Azerbaijan is a party.

Article 24. Recognition of the court decisions of foreign states on the legalization of illegally gained funds or other property and the financing of terrorism

24.1 The court decisions of foreign states on the legalization of illegally obtained funds or other property and the financing of terrorism shall be recognized in the Republic of Azerbaijan, if they are in compliance with the legislation of the Republic of Azerbaijan and the international treaties to which the Republic of Azerbaijan is a party.

24.2 In accordance with the international treaties to which the Republic of Azerbaijan is a party, the funds or other property confiscated in the territory of the Republic of Azerbaijan as defined in Article 24.1 may be fully or partially yielded to the state where the court decision has been made.

SECTION V

Final provisions

Article 25. Liability upon violating this Law

25.1 The monitoring entities and their employees shall be subject to the civil, administrative, and criminal liability for violating the requirements of this Law in accordance with the legislation of the Republic of Azerbaijan.

Article 26. Effective date of this Law

26.1 This law is effective as of _____.