

Law No. (17) of 2013
Amending Certain Articles of the Anti-Money Laundering and
Counter-Terrorism Financing Law No. (1) of 2010

In the name of the people,

The President of the Republic,

Upon;

Reviewing the Constitution of the Republic of Yemen;

The Anti-Money Laundering and Counter-Terrorism Financing Law No. (1) of 2010;

And;

Being passed by the House of Representatives,

Has issued the following law:

Article I: Articles 2, 3, 4, 10, 13, 17, 26, 27, 31, 32, 33, 35, 40, 41 and 43 of Law No. (1) of 2010 concerning Anti-Money Laundering and Counter-Terrorism Financing shall be amended to read as follows:

Article (2): For purposes of applying the provisions of this Law, words and expressions listed below shall have the meanings ascribed against each of them, unless the context otherwise requires a different meaning or the context indicates otherwise:

Republic:	Republic of Yemen.
Central bank:	Central Bank of Yemen.
Governor:	Governor of the Central Bank of Yemen.
Committee:	National Committee for Anti-Money Laundering and Counter-Terrorism Financing formed under the provisions of this Law.
The Unit:	The Financial Information Unit (FIU).
Regulations:	The implementing regulations of this Law.
Funds:	Assets of any kind, tangible or intangible, movable or immovable, which are obtained by any means, and legal documents or instruments in any form including electronic or digital form, which indicate the ownership of such funds or interest therein. Such assets include, for example, all types of local and foreign currency, securities, trade instruments and bank credits, travelers' checks, money orders,

stocks, bonds, drafts and letters of credit, any interest or dividends or returns of such funds or the amount due or arising therefrom.

Proceeds: Shall mean the funds derived from or obtained, directly or indirectly from any offense defined in the law hereto.

Money Laundering: The act defined in Article (3) of this Law.

Financing of Terrorism: The act defined in Article (4) of this Law.

Financial Institutions: Any financial institution practicing any kind of activities or operations for customers on behalf of them, - of any legal form ~~is~~ and whether it is in the form of a company or an individual enterprise - which is engaged in any of the following businesses:

- a. Acceptance of deposits of all kinds.
- b. Granting credit of all kinds.
- c. Financial leasing.
- d. Money transfer services.
- e. Currency exchange.
- f. Issuing means of payment of all kinds including credit and debit cards, cheques, instruments and any other banking business as stipulated in the commercial law in force.
- g. Financial guarantees and commitments, including mortgage financing and factoring.
- h. Trading in money and capital market instruments through buy/sell transactions including trading in foreign currency, spot and forward exchange markets.
- i. Dealing in securities, including treasury bills.
- j. Providing administrative and consultancy services to the investment portfolios and trustee investment services.
- k. Management and keeping of securities and precious items.
- l. Life insurance and any other insurance products that have investment elements.
- m. The other financial activities, identified by virtue of a decision from the Prime Minister and according to the Committee's proposal.

Non-financial Institutions and Any institution practicing any kind of activities or operations for customers or on behalf of them- of any legal form, whether in the form of a company

- Designated Professions:** or individual entity – including the following:
- a. Real estate brokerage
Dealers in precious metals or stones, clerks and notaries.
 - b. Private firms of lawyers and accountants.
 - c. Services of establishing new companies and their associated activities.
 - d. Any other activity or activities identified by a decree issued by the Prime Minister based on a proposal from the Committee.

The Supervisory and Control Entities:

The following entities are mandated, each within its scope of competence, with supervision and control powers over any of the activities of the financial institutions, non-financial institutions and designated professions:

- a. The Ministry of Justice.
- b. The Ministry of Labor and Social Affairs.
- c. The Ministry of Industry and Trade.
- d. The Ministry of Communications and Information Technology.
- e. Central Bank of Yemen.
- f. The Customs Authority.
- g. The Central Organization for Control and Auditing.
- h. General Authority for Land, Survey and Urban Planning.
- i. General Authority for Standardization, Metrology and Quality Control.
- j. Any other body vested with the authority to control and supervise any of the activities of financial or non-financial institutions and designated professions specified under ~~a~~ a decree issued by the Prime Minister based on a proposal from the Committee.

Beneficial Owner:

The natural person who owns or controls a customer or accounts, the person on whose behalf a transaction is being conducted, or according to his own will.

Politically Exposed Persons (PEPs):

Any natural person who is or has been entrusted with prominent public functions or holds/has held senior public office positions in the Republic or a foreign country such as the heads of state or government; other high-ranking politicians; senior government, judicial or military officials; senior executives of state-owned corporations; important

political party officials; or persons assigned by a regional or international organization in senior positions, including family members or close associates of the PEPs. This definition shall not apply to middle ranking or more junior individuals.

seizing

shall mean prohibiting the transfer, conversion, disposition or movement of funds or other property on the basis of, and for the duration of the validity of, a decision of a judicial or other competent authority. The seized funds or other property shall remain the property of the persons or entities that held an interest in the specified funds or other property at the time of the seizure, but shall be administered by the judicial authority.

Freezing:

Shall mean prohibiting the transfer, conversion, disposition or movement of funds or other property on the basis of, and for the duration of the validity of, a decision of a judicial or other competent judicial authority under a freezing mechanism for the duration of the procedure or until a confiscation order is taken. The frozen funds, property, equipment, tools or other assets shall remain the property of the natural or legal person(s) or entities that held an interest in the specified funds, property, equipment or tools at the time of freezing, and may continue to be administered by the financial institution assigned by the natural or legal person(s), or by a third party pursuant to a decision from the competent authority or the competent judicial authority which issued the freezing order before taking a decision under the freezing mechanism.

Walk-in Customer:

A customer who does not have an ongoing relation with the financial or non-financial institution.

Ongoing Relation:

Every financial or commercial relationship expected at its inception to last for a period of time and to include multiple operations. The ongoing relationship includes any relevant commercial or professional relationship related to one of the activities or operations carried out by the specific financial and non-financial institutions and

professions when such institution expects the relationship to last for a period of time.

Confiscation:

The permanent deprivation of funds, assets or other property under a final court ruling in favor of the state, whereby the natural or legal person, or other natural or legal persons, shall lose all ownership rights of such funds, assets or other property.

Terrorist Act:

a. Any act which constitutes an offense under any of the following treaties:

1. Convention for the Suppression of Unlawful Seizure of Aircraft (1970)
2. Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation (1971).
3. Convention on the Prevention and Punishment of Crimes Against Protected Persons, Including Diplomatic Representatives (1973).
4. The International Convention against the Taking of Hostages (1979).
5. Convention on the Physical Protection of Nuclear Material (1980).
6. Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation (1988).
7. Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation (1988).
8. Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf (1988).
9. International Convention for the Suppression of Terrorist Bombings (1997).
10. International Convention for the Suppression of the Financing of Terrorism (1999).

b. Any other act intended to cause death or serious bodily injuries to a civilian, to any other person not part in the hostilities or in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate the population, or to compel a government or an international organization to take a particular action or to

abstain from doing any act.

Terrorist:

Any natural person doing any of the following acts:

- a. Commits or attempts to commit terrorist acts, by any means, directly or indirectly, and willfully.
- b. Participates as an accomplice in terrorist acts.
- c. Organizes or directs others to commit terrorist acts.
- d. Contributes to the commission of terrorist acts by a group of persons acting with a common purpose where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.

Terrorist organization:

Any group of terrorists that: Commits or attempts to commit terrorist acts, by any means, directly or indirectly unlawfully and willfully.

- a. Participates as an accomplice in terrorist acts.
- b. Organizes or direct others to commit terrorist acts.
- c. Contributes to the commission of terrorist acts by a group of persons acting with a common purpose where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.

Article (3):

- a. Any person, who commits one of the following acts inside or outside of the Republic, shall be guilty of a money laundering offense:
 1. Converting or transferring funds by any person who knows or should have known that such property is the proceeds of crime for the purpose of concealing or disguising the illicit origin of such property, or for the purpose of assisting any person who is involved in the commission of the predicate offense to evade legal consequences for his actions.
 2. Conceal or disguise the true nature, source, location, disposition, movement or ownership of or rights with respect to property by a person who knows or should know that such property is the proceeds of crime.

3. Acquisition, possession or use of property by any person who knows or should know at the time of receipt that such property is the proceeds of crime.

The 'knowledge' referred to in the provisions of paragraph (a) of this Article may be inferred from the objective factual circumstances.

- b. Any person, who initiates, participates in, instigates, orders, colludes, conspires, provides advice to or helps in committing any of the acts listed in items (1, 2 & 3) of Paragraph (a) of this Article, shall be guilty of a money laundering offense.
- c. The acts specified in items (1, 2 & 3) of Paragraph (a) of this Article shall be deemed money laundering crimes in the event such funds have been obtained from the following predicate crimes:
 1. Participation in an organized criminal group.
 2. Terrorism, including terrorist financing.
 3. Slavery, trafficking in human beings and smuggling of migrants.
 4. Sexual exploitation, including sexual exploitation of children.
 5. Cultivation, manufacture and illicit trafficking in narcotic drugs and psychotropic substances.
 6. Illicit trafficking in arms and ammunition.
 - ~~7.~~ Illicit trafficking in stolen and other goods.
 8. Corruption and bribery.
 9. Fraud and cheating.
 10. Forgery and counterfeiting, including the falsification of official and legal documents; counterfeiting of currency; promotion of counterfeit or non-current currency; counterfeiting and piracy of goods; faking official seals, tags, public bonds and the like, and trademark counterfeiting.
 11. Environmental Crimes.
 12. Murder and grievous bodily injuries.
 13. Kidnapping, illegal restraint and hostage-taking.
 14. Burglary, theft and seizure of public or private funds.
 15. Smuggling, including customs smuggling, tax evasion and smuggling of antiquities and historical manuscripts.
 16. Tax offenses.
 17. Extortion.
 18. Piracy.
 19. Commercial fraud and concealment and manipulation of markets, including financial markets and trading in market instruments by insiders based on undisclosed information.

20. Offenses against national economy as stipulated in the Kidnapping and Hijacking law.
 21. All the crimes that are not listed above, which are punishable under the provisions of laws in force.
- d. The predicate offenses set forth in paragraph (a) of this Article shall include predicate offenses committed outside the Republic if they constitute a crime under the law of the country where they were committed and shall, at the same time, constitute a crime under the laws in force in the Republic.
 - e. A money laundering offense shall be considered independent of the predicate crime that yielded the funds. However, conviction of committing the predicate crime is not a condition to prove the illicit source of the proceeds of the crime.

Article (4):

Every person shall be guilty of an offense of financing of terrorism if he:

- a. directly or indirectly, collects or provides funds, intentionally and willfully, by any means, and whether such funds are from licit or illicit sources, with the intention that they should be used or in the knowledge that they will be presented to a terrorist organization or body or a terrorist association, or to a terrorist or a terrorist act. The ‘knowledge’ can be inferred from objective factual circumstances. The criminal responsibility shall remain valid whether such funds have been used in full or in part, or not used, and whether such acts have occurred inside or outside the Republic.
- b. Initiates, participates in, incites, orders, colludes, conspires, provides advice to or assists to commit any of the acts mentioned in paragraph (a) of this Article.
- c. Organizes the committing of an offense set forth in paragraph (a) or Paragraph (d) of this Article.
- d. Involves in a group of people with a common purpose of committing one or more crimes of the offenses referred to in paragraph (a) of this Article, and such involvement is intentional and implemented in order to:
 1. Expand the criminal activity or purpose of the group when such activity or purpose involves the committing of an offense referred to in Paragraph (a) of this Article.
 2. Commit an offense referred to in Paragraph (a) of this Article.

Article (10):

The financial, non-financial institutions and designated professions shall be obliged to take the following actions:

- a. Classify their customers and services according to the level of money laundering and financing of terrorism risks and take adequate measures to address such risks. They should exert their utmost efforts in dealing with cases which represent a high level of risk, including:
 1. Unusual transactions which have no economic justification.

2. Transactions and persons associated with states that do not apply effective measures of anti-money laundering and terrorism financing in accordance with the international principles and standards.

The Regulations shall set forth the controls that need to be followed in the classification of customers and due diligence.

- b. Examine and discuss the background of large and complex transactions, verify their purpose and record them and made them available to the competent authorities, where appropriate, and the auditors for a minimum period of five years.
- c. Take the necessary measures to prevent the misuse of technological developments in the field of money laundering and financing of terrorism.
- d. Develop appropriate systems for risk management to determine whether a potential customer, or the customer or the beneficial owner is a politically exposed person. If he proves so, the following actions must be taken:
 1. Obtain the approval of the senior management before the establishment or continuation of a business relationship with the customer.
 2. Take the necessary measures to know and identify the source of his wealth and identify the actual beneficiary of his money.
 3. Monitor the business relationship on an ongoing and intensive basis.
- e. Develop internal policies, procedures and controls to combat money laundering and financing of terrorism and apply them to existing customers and new customers; and inform and train their employees on them and ensure their application.

Article (13):

The financial institutions, non-financial institutions and designated professions that suspect or have reasonable grounds to suspect that the money or property are related to or associated with money laundering or they constitute proceeds of the predicate offences mentioned in Article (3) herein or have a link to or association with terrorism, acts of terrorism or terrorist financing, or they will be used in carrying out terrorist acts or by terrorist organizations or those who finance terrorism, must immediately report such transactions to the FIU, whether they occurred or not. The Regulations shall set forth the controls and procedures relating to this obligation.

Article (17):

- a. As soon as they are issued, the Ministry of Foreign Affairs shall provide the Public Prosecutor with the lists issued by the Committee on al Qaeda and Taliban Sanctions formed under the Security Council Resolution No. (1267) of 1999 and the subsequent resolutions thereto concerning the identification of persons and entities.
- b. Immediately upon receiving the lists from the Ministry of Foreign Affairs, the Public Prosecutor shall issue the necessary decisions to freeze the funds, assets and property of the persons and entities identified by the Committee formed under the Security Council Resolution No. (1267) of 1999 and the subsequent resolutions thereto, including the

funds derived from other funds or assets or generated thereby and are owned or controlled directly or indirectly by such persons or persons acting on their behalf or at their instructions, whether such funds are with financial institutions, non-financial institutions or designated professions, or with other natural or legal persons, taking into account the rights of bona fide third parties. The control and supervision authorities must communicate such decisions to the financial and non-financial institutions, designated professions and natural and legal persons.

- c. The financial and non-financial institutions, designated professions and natural and legal persons must freeze such funds, assets or other property immediately without prior notice to the persons or entities subject of the Freezing Orders, and inform the Unit of the funds, assets and property frozen in accordance with the provisions of this Article. The Regulations shall set forth the freezing mechanism and the governing procedures thereof.
- d. The Control and Supervision Authorities shall ensure compliance by the financial and non-financial institutions with the implementation of the decisions of the Public Prosecutor issued in accordance with the provisions of Paragraph (b) of this Article.
- e. Those who incur damage by the Freezing Orders or seizure decisions referred to herein may use all available diplomatic, legal or judicial means to revoke the freezing or seizure or to remove their names from the list in line with the international obligations of the Republic. Persons who have been inadvertently affected by the freezing or seizure procedures without being the persons or entities designated in those lists may use those available means.

The Regulations shall set forth the appropriate procedures for licensing the use of funds, assets or other property that have been frozen under the provisions of this Article for essential uses to cover basic expenses or to pay certain types of fees or expenses, service charges or extraordinary expenses.

Article (26):

- a. A Committee called the (National Committee on Anti-Money Laundering and Counter-Terrorism Financing) shall be established under the provisions of this Law. The Committee shall report to the Prime Minister and shall be based in the capital, Sana'a.
- b. The Committee shall have a legal personality and financial independence.
- c. The Committee shall be formed by virtue of a Prime Minister's based on a proposal from the Minister of Finance; and shall be made up of one representative from the following bodies based on their nominations:

1. Ministry of Finance	Chairman of the Committee
2. Central Bank of Yemen	Vice-chairman
3. Ministry of Justice	Member
4. Ministry of Interior	Member
5. Ministry of Foreign Affairs	Member

6. Ministry of Industry and Trade	Member
7. Ministry of Social Affairs and Labor	Member
8. Ministry of Communications and Information Technology	Member
9. Political Security Agency	Member
10. National Security Agency	Member
11. The Central Organization for Control and Auditing.	Member
12. Public Prosecution	Member
13. Supreme National Authority for Combating Corruption.	Member
14. General Authority for Investment	Member
15. General Authority for Land, Survey and Urban Planning	Member
16. Customs Authority	Member
17. The Financial Information Unit	Member
18. Yemen Banks Association	Member
19. The Federation of Yemen Chambers of Commerce and Industry	Member

- c. The Committee shall select one of its members to be its rapporteur.
- d. The Committee may seek the assistance of experts and technical specialists, at its discretion.

Article (27):

The Committee shall practice the following functions and tasks:

- a. Develop a national anti-money laundering and counter-terrorism financing strategy.
- b. Propose policies on anti-money laundering and counter-terrorism financing and submitting them to the Cabinet for approval.
- c. Study and follow up international developments in the field of anti-money laundering and the financing of terrorism and make recommendations on the development of guidelines, regulations and procedures issued by the Control and Supervision bodies in the Republic and propose legislative amendments in line with such developments.
- d. Raise awareness of the risks of money laundering and financing of terrorism.
- e. Coordinate the efforts of the bodies represented on the Committee.

- f. Organize and hold seminars and workshops related to anti-money laundering and terrorism financing
- g. Represent the Republic in international events and participate in meetings and conferences on anti-money laundering and terrorism financing.
- h. Develop and adopt the by-laws of the Committee's work.
- i. Discuss the Committee's budget and submit it to the competent authorities for incorporation in the public budget of the state.

Article (31):

The Unit shall be in charge of the following functions:

- a. Receive and analyze notifications received from financial and non-financial institutions, the designated professions, and the Supervisory and Control bodies on the suspicious transactions that include money laundering or financing of terrorism or any predicate offense associated therewith. Where appropriate, the Unit will forward the result of analysis of such notifications to the concerned authorities to take action.
- b. Establish a database for the information in possession and make it available to the public prosecution in accordance with the provisions of the Criminal Procedure Law.
- c. Request any additional information it deems useful to perform its functions if such information is linked to any information previously received during the performance of its functions or at the request received from counterpart units in other countries. Those having the duty of notification must provide the Unit with such information on the form approved by the Unit within a period not exceeding one week from the date of request unless the Unit specifies another period. The Unit may specify a shorter period of time according to the controls set forth in the Regulations.
- d. Inform the public prosecutor of the analysis outcome of the notifications, when it has serious indications of the existence of suspicion of money laundering, financing of terrorism or any predicate offenses associated therewith, together with the necessary conclusions.
- e. Request information from the following entities regarding the notifications received when the Unit deems it useful to perform its functions, or at the request of a counterpart unit:
 - 1. Supervisory and Control Entities.
 - 2. Any other government bodies.

The entities referred to above shall provide information to the Unit within a period not exceeding two weeks from the date of request.

- f. Notify the Committee and the Supervisory and Control Entities on any breach of the provisions of this Law by financial and non-financial institutions and designated professions that are subject to the provisions of this Law.

- g. Publish regular reports on its activities containing in particular statistical data and analytical studies in the field of anti-money laundering and financing terrorism.
- h. Make field visits to the entities and institutions covered by this Law to ensure compliance with the provisions of this Law and its Regulations.
- i. Participate in international and regional seminars, workshops, conferences and meetings related to its competences.

Article (32):

- a. The Unit may, upon its own initiative or at the request of counterpart units in other countries, exchange information with such units if they are committed to the rules of confidentiality and subject to the condition of reciprocity. This information shall not be used for any other purpose apart from anti-money laundering and counter-terrorism financing, subject to the prior approval of the providers.
- b. For the purpose of Paragraph (a), the Unit may enter into memoranda of understanding with foreign counterpart units performing similar functions and are subject to similar obligations of confidentiality.

Article (33):

The Public Prosecution shall receive, directly or through diplomatic channels, reports from any country that a person resident or existing in the Republic has committed any offense stipulated in this Law; and shall investigate such reports in accordance with the laws in force and the provisions of this Law.

Article (35):

- a. Subject to the provisions of bilateral or multilateral agreements on mutual legal assistance in which the Republic is a party, confiscation requests, relating in full or in part to a crime of money laundering or terrorism financing, shall be submitted to the competent judicial authority through diplomatic channels.
- b. Confiscation may not take place without the issuance of a final court ruling.
- c. A request for mutual assistance must include, in addition to the information set forth in Paragraph (c) of Article (34) of this Law, an official copy of the final judgment for the confiscation. Additional information may be requested from the states requesting the legal assistance for the purpose of enforcing the judgment.

In all cases, the state requesting the confiscation may be given access to such funds or their proceeds only after the signing of a bilateral agreement with the requesting state about the sharing of such funds.

Article (40): The Public Prosecution may, during an investigation or at the request of the Unit or the competent authority, issue decisions or orders of temporary seizure or freezing of the following funds or assets:

- a. Laundered property.
- b. The proceeds and the tools that have been used or intended for use in the money laundering and the predicate offenses.
- c. Property earned, used, intended to be used or allocated for use in terrorist acts, terrorism financing or terrorist organizations.
- d. Property equivalent in value of the funds or assets contained in Paragraph s (a, b & c) of this Article in order to prevent the trading in, the transfer or disposition thereof, subject to the rights of bona fide third parties.

Article (41):

- a. A perpetrator of a money laundering crime stipulated in Article (3) of this Law shall be punishable by imprisonment for a period not exceeding seven years.
- b. A perpetrator of a terrorism financing crime stipulated in Article (4) of this Law shall be punishable by imprisonment for a period not exceeding ten years
- c. In the event of conviction for any offense set forth in Articles (3 & 4) herein or any predicate offense, and without prejudice to the rights of bona fide third parties, the competent court shall rule to confiscate:
 1. Funds that constitute the proceeds of the crime, including the proceeds that are mixed with other property, or property in equal value of those proceeds.
 2. Funds forming the subject of the crime.
 3. Funds that make up the proceeds and other benefits derived from such funds or property or from the proceeds of the crime.
 4. Media and tools used to commit the crime.
 5. The funds referred to in the preceding Paragraph s of this Article, which has been disposed of to any third party, unless the court is satisfied that such property was acquired against the payment of an appropriate price or obtained against the provision of services commensurate with its value or based on other legitimate reasons, and that such third party was unaware of its illicit origin.

The confiscation must be made under a final court ruling in favor of the public treasury of the State.

- d. The court may rule with any supplementary punishment according to the laws in force. The punishments prescribed in Paragraph s (a) and (b) of this Article shall be doubled if the crime was committed by an organized criminal group or a terrorist organization or if

the crime was committed as part of other criminal acts or in abuse of authority or power.

Article (43):

- a. Anyone who violates the provisions of Articles (6, 13, 15, 17/c., 17 bis/c., 18, 20, 23, 25) of this Law shall be punishable by imprisonment for a term not exceeding three years or a fine not exceeding ten million riyals.
- b. Anyone who violates the provisions of Articles (12, 31/c) shall punishable by imprisonment for a term not exceeding two years or by a fine not exceeding five million riyals
- c. Anyone who violates the provisions of Articles (7, 8, 9, 10, 11) of this Law shall be punishable by imprisonment for a term not exceeding one year or by a fine not exceeding one million riyals.
- d. In addition to the penalties provided for in Paragraph s (a, b, c) of this Article, the court may rule for one of the following supplementary penalties:
 1. Cancellation of the license.
 2. Prohibition from practicing the profession or activity.
 3. Changing managers or restricting their powers.
 4. Publishing the judgment against the violator.
 5. Any other supplementary penalties.

Article II

The following articles shall be added to Law No. (1) of 2010 concerning anti-money laundering and counter-terrorism financing:

Article (17) bis:

- a. The competent authorities in charge of combating terrorism shall prepare lists of the names of persons and entities that commit or attempt to commit terrorist acts, or participate in or facilitate the commission of such acts under the laws in force and the UN Security Council Resolution No. 1373 of 2001 and the resolutions subsequent thereto.
- b. The Public Prosecutor shall issue decisions to freeze the funds, property and assets of persons and entities whose names are on the lists in accordance with Paragraph (a) of this Article, including the funds derived from other funds or assets or generated thereby and owned or controlled, directly or indirectly, by such persons and entities or by persons acting on their behalf or at their instructions, and whether such funds are with financial or non-financial institutions, designated professions or other

natural or legal persons, subject to the rights of bona fide third parties. The Control and Supervision Authorities shall communicate all such decisions to the financial or non-financial institutions, designated professions and other natural and legal persons.

- c. The financial and non-financial institutions, designated professions and natural and legal persons must freeze such funds, assets or other property immediately without prior notice to the persons or entities subject of the Freezing Orders, and inform the Unit of the funds, assets and property frozen in accordance with the provisions of this Article.
- d. The Control and Supervision Authorities shall ensure compliance by the financial and non-financial institutions with the implementation of the decisions of the Public Prosecutor issued in accordance with the provisions of Paragraph (b) of this Article.
- e. Those who incur damage by the Freezing Orders or seizure decisions referred to herein may appeal the decision of the Public Prosecutor before the competent court within 30 days from the date they become aware of such decision.
- f. The Regulations shall determine the freezing mechanism and the governing procedures thereof.

Article 17 bis (1):

- a. The Public Prosecutor shall receive requests for freezing submitted by any country relating to the freezing of funds, property or other assets of persons residing on the territory of the Republic. The Public Prosecutor shall examine such requests and decide thereon. In case of approval, he shall issue an order to freeze the funds, property or assets.
- b. The provisions of Paragraph s (c, d, e) of Article (17) bis concerning the obligations of financial and non-financial professions, designated professions, and Supervisory and Control Bodies in the enforcement of the Freezing Order issued under Paragraph (a) of this article and in the grievance against it.
- c. The Regulations shall set forth the necessary bases for handling requests submitted by any country for the freezing of funds and property.

Article (26) bis:

A criminal, civil or administrative action may not be lodged against the Chair of the Committee, or any of its members or employees, or against the Head of the Unit or any of its members or employees, or take any legal action against them due to their performance of the tasks assigned to them under this Law.

Article 41 bis:

In the event of a crime punishable under the provisions of this Law, and the perpetrator could not be convicted due to his death or because he was anonymous, the Public Prosecution shall have the right to refer the case to the competent court to rule for the confiscation of funds obtained therefrom, if the Public Prosecution provided sufficient

evidence that they were proceeds of the crime. In all cases, the confiscation judgment must determine the funds involved, and must include the details needed to identify and locate such funds.

Article (44) bis:

- a. A punishment by a fine of not less than five million riyals shall apply to every legal person in the name or favor of which a crime of money laundering or terrorism financing was committed by a natural person who occupies a leading position therein, or who has authority to take decisions on its behalf or authorized to exercise power therein, regardless of whether the natural person was or was not convicted for committing the crime.
- b. The punishment prescribed for the legal person in accordance with Paragraph (a) of this Article shall not prevent punishing the natural person responsible for the actual management of the violating legal person using the same penalties prescribed for acts committed in violation of the provisions of this Law, if it is proved that he was aware of the crime or it has occurred due to his breach of the duties of his job or if it was the result of his negligence of his job duties.
- c. The Court may rule to subject the legal person to one of the following supplementary penalties:
 1. Suspend the practice of the profession or activity.
 2. Revoke the license to practice the profession or activity.
 3. Permanently or temporarily shut down the shop where the profession or activity is practiced or the associated facilities used in the commission of the crime.
 4. Liquidate its business.
 5. Place it under receivership in accordance with the provisions of the laws in force.
 6. Publish the verdict issued against it.

Article III

Paragraph (a) of Article (34) of Law No. (1) of 2010 concerning anti-money laundering and counter-terrorism financing shall be deleted.

Article IV

This Law shall take effect from the date of its issuance and shall be published in the Official Gazette.

Issued at the Presidency of the Republic in Sana'a

On September 12, 2013

Abed Rabbo Mansour Hadi
President of the Republic