



**Royal Decree**

**No. 30/2016**

**Promulgating the Law on Combating Money Laundering  
and Terrorism Financing**

**We, Qaboos Bin Said, Sultan of Oman**

After perusal of the Basic Statute of the State promulgated by Royal Decree Number 101/96, and  
The Omani Penal Code promulgated by Royal Decree Number 7/74, and  
The Judicial Authority Law promulgated by Royal Decree Number 90/99, and  
The Public Prosecution Law promulgated by Royal Decree Number 92/99, and  
The Criminal Procedure Law promulgated by Royal Decree Number 97/99, and  
The Extradition Law promulgated by Royal Decree Number 4/2000, and  
The Law on Non-Governmental Associations promulgated by Royal Decree Number 14/2000, and  
The Banking Law promulgated by Royal Decree Number 114/2000, and  
The Law on Combating -Terrorism promulgated by Royal Decree Number 8/2007, and  
The Law on Combating Money Laundering and Terrorism Financing promulgated by Royal Decree  
Number 79/2010, and  
Royal Decree Number 64/2013 ratifying the Sultanate in joining the United Nations Convention Against  
Corruption (the “UNCAC”), and

**PUBLIC**



The Official Gazette – Issue no. 1149

Royal Decree Number 27/2014 ratifying the *Arab Convention for Combating Money Laundering and Terrorism Financing*, and

After referral of the same to the Council of Oman, and

In accordance with the public interest,

**Have Decreed the Following**

**Article 1**

The provisions of the Law on Combating Money Laundering and Terrorism Financing attached herewith shall come into force.

**Article 2**

This Decree shall be published in the Official Gazette.

**Issued on: 26 Sha'ban 1437 AH**

**Corresponding to: 2 June 2016 AD**

**Qaboos Bin Said**

**Sultan of Oman**

**PUBLIC**



## Law on Combating Money Laundering and Terrorism Financing

### Chapter 1

#### Definitions and General Provisions

##### Article 1

In implementation of the provisions of this Law, the following terms and expressions shall have the corresponding meaning, unless the context requires otherwise:

**The Committee:** The National Committee for Combating Money Laundering and Terrorism Financing.

**The Chairman:** The Chairman of the Committee

**The Centre:** The National Centre for Financial Information

**The Supervisory Authorities:** The Ministry of Justice, Ministry of Commerce and Industry, Ministry of Housing, Ministry of Social Development, Central Bank of Oman, Capital Market Authority, depending on each case and any other party designated by a decision of the Committee.

**The Competent Authorities:** Judicial and security authorities, the Centre and other authorities concerned with combating money laundering and terrorism financing in the Sultanate.

**Funds:** Any type of assets or property regardless of its value, nature, or the way it is acquired, whether electronic or digital, whether inside or outside the Sultanate of Oman, including any profits or interests on such property that is due or has been fully or partially distributed. This includes local and foreign currency, financial and commercial instruments, immovable or movable, tangible or intangible, and corporeal or incorporeal assets and all the rights or interests vested therein, deeds and documents

PUBLIC



evidencing all the above, including bank credits, deposits, postal drafts, bank drafts, and letters of credit or anything that the Committee considers as funds for the purposes of this Law.

**Money laundering offence:** Any of the acts specified in Article 6 of this Law.

**Person:** A natural or legal person.

**Terrorist Act:** Any of the following acts that a person or group of persons acting with a common purpose, perpetrates, attempts to perpetrate, participates to, organizes, plans, contributes to, or directs others to the perpetration thereof:

- a- Any act that constitutes a crime in accordance with relevant agreements or treaties to which the Sultanate is a party.
- b- Any act aimed at causing the death or serious bodily injury of a civilian or any other person not participating in hostile acts in case of an armed conflict, when the purpose of such act, by virtue of its nature or context, is to terrorize the population or compel a government or an international organization to take or refrain from taking an action.
- c- Any act considered as a terrorist act pursuant to the Law of Combating -Terrorism, or any other law.

**Terrorist:** Any natural person present inside or outside the Sultanate of Oman who commits, attempts to commit, participates to, organizes or contributes to the perpetration of a terrorist act or directs others to do so by any means whether directly or indirectly.

**Terrorist Organization:** Any group of terrorists and any organization considered as a terrorist organization pursuant to any other law.

**Terrorism Financing Offence:** Any of the acts specified in Article 8 of this Law.

**Trust Fund:** A legal relationship by virtue of which a trustor entrusts the control of funds to a trustee in the interest of a beneficiary or for a specific purpose. Such assets shall be considered as independent

PUBLIC



from the trustee's properties, and the right to the trustee's assets shall remain in the name of the trustor or with a third party on behalf of the trustor.

**Legal Arrangements:** The legal relationship established between different parties by virtue of an agreement, such as trust funds or other similar legal arrangements.

**Financial Institution:** Any person that engages, as a business, in one or more of the activities listed under Article 3 for or on behalf of a customer:

**Non-financial Businesses and Professions:** Any of the businesses specified in Article 4 of this law.

**Non-Profit Associations and Entities:** Any organized group established in accordance with the provisions of the Law on Non-Governmental Associations, for the purposes of raising or spending funds for charitable, religious, cultural, social, educational, cooperative, or any other purpose, including foreign branches of international non-profit associations and entities.

**Predicate Offence:** Any act constituting an offence under the laws of Oman, and acts committed outside Oman if they are considered an offence in accordance with the laws of the country in which crime was committed and Omani laws.

**Proceeds of Crime:** Any funds derived or obtained directly or indirectly from a predicate offence, including profits, economic benefits and advantages, and any similar funds converted fully or partially into other funds.

**Instrumentalities:** Tools and means used or intended to be used in any manner to commit a money laundering, or a related predicate offence or a terrorism financing offence.



**Business relationship:** Any enduring commercial or financial relationship established between financial institutions, non-financial businesses or professions and non-profit associations and entities and their customers in relation to activities or services they provide to such customers.

**Transaction:** Any operation carried out by financial institutions or non-financial businesses and professions as stipulated under Article 5 of this law.

**Customer:** Any person:

- a. for whom a transaction is carried out or arranged or an account is opened;
- b . who is a signing party to a transaction or account;
- c . to whom an account, rights, or obligations are entrusted or transferred by means of a transaction;
- d . who is authorized to carry out a transaction or control an account;
- e . who attempts to carry out any of the actions specified in (a-e) of this definition;
- f . who is designated by the supervisory authority

**Freezing or seizure:** Temporary prohibition on the transfer, remittance, exchange or disposal of funds pursuant to an order from a competent judicial authority, while the ownership of the property remains with the person who has the beneficial interest in it at the time of freezing.

**Confiscation:** Permanent expropriation and deprivation of proceeds or instrumentalities of crimes of money laundering, linked predicate offenses or terrorism financing, pursuant to a final decision issued by a competent court.

**Beneficial Owner:** The natural person who ultimately owns or controls the customer, directly or indirectly. This includes the natural person on whose behalf a transaction is being conducted, and the natural person who has ultimate effective control over a legal person or legal arrangement.



**Account:** Any facility or arrangement by means of which a financial institution carries out one or more of the following operations:

1. Accepting deposits of funds;
2. Enabling the withdrawal or transfer of funds;
3. Paying negotiable or transferable instruments or orders drawn on another person, or collecting negotiable or transferable instruments or payment orders on behalf of another person;
4. Rental of safe deposit boxes.

**Correspondent Relationship:** A relationship between two financial institutions, a correspondent and a respondent, whereby one is the agent or conduit of the second, executing or processing the following payments or other transactions for the respondent's customers (third party):

- a. Execution of third party payments
- b. Trade finance, as well as its own cash clearing
- c. Liquidity management and short-term borrowing or investment needs in a particular currency

**Third-party Payment Account:** The correspondence account used directly by a third party to carry out transactions on their own behalf.

**Wire Transfer:** Any transaction carried out by a financial institution on its own or through an intermediary institution, by electronic means in order to make a sum of money available to a beneficiary at another financial institution, whether the originator and the beneficiary are one person or two different persons.

**Originator:** The person who issues an order to the financial institution to carry out a wire transfer, whether or not the said person is an account holder at the financial institution.



**Shell Bank:** Any bank that does not have a physical presence in the country or the region where it is established and licensed, and is not affiliated to any financial group which is subject to an effective unified regulation and supervision.

**Bearer-Negotiable Instruments:** Monetary instruments in the form of a document including checks, promissory notes and payment orders, that are issued to bearer, or endorsed unconditionally or issued to a fictitious payee, or in another form that allows the transfer of the right therein upon delivery, and incomplete instruments including cheques, promissory notes, and payment orders that are signed but have the payee's name crossed out or omitted.

**Undercover Operation:** An investigation method whereby a law enforcement officer, by assuming a different identity, or plays a covert or fictitious role as a means of obtaining evidence or information related to criminal activity.

**Controlled Delivery:** A method that allows illegal or suspicious funds or proceeds of a crime to enter, exit, or pass through Omani territory with the competent authorities' knowledge and under their surveillance for the purpose of investigating any crime and determining the identity of the perpetrators.

**Financial Group:** A group comprising a holding company or any other type of legal persons exercising control and coordinating functions in order to apply supervision over the rest of the group, and its branches according to main financial supervision principles or affiliates and entities subject to AML/CFT policies and procedures at the group level.

**Article 2** For the purposes of this law, money laundering and terrorism financing offenses shall not be considered political crimes or linked to political, or politically-motivated crimes.

**Article 3** Financial institutions shall be subject to the provisions of this law when carrying out any of the following functions:



- a. Receiving deposits and other funds payable from the public, including special banking services, lending, financial transactions including trading in securities, financing, lease financing, services for transferring funds or value, buying, selling and exchanging currencies, issuing and managing payment instruments, guarantees, or obligations.
- b. Trading, investing, operating, or managing funds, financial options or futures, exchange rate and interest rate operations, other financial derivatives, or negotiable instruments.
- c. Participating in the issuing of securities and providing financial services related to such issues.
- d. Managing funds and portfolios of various types.
- e. Safeguarding funds.
- f. Insurance activities, including insurance companies, brokers, and agents.
- g. Any other activity or transaction specified by a resolution of the Committee.

**Article 4** Non-financial businesses and professions include the following according to this law:

- a. Real estate brokers and agents.
- b. Traders in precious metals and stones, when carrying out cash transactions equal to or greater than the threshold decided by the supervisory authority, whether the transaction occurs in a single phase or multiple linked phases.
- c. Attorneys, notaries public, accountants/auditors/reviewers, when they prepare or carry out transactions for or on behalf of their customers related to one of the following activities:
  1. purchase or sale of real estate;
  2. managing funds;
  3. managing bank accounts, savings accounts, or securities accounts;
  4. organizing participation in establishing, operating, or managing companies;
  5. establishing, operating, or managing legal persons or legal arrangements and buying or selling commercial entities.
- d. Providers of services to trust companies and funds when they prepare or carry out transactions for or on behalf of their customers related to one of the following activities:
  1. acting as agent to establish legal entities;
  2. acting as director or secretary of a company, partner in a partnership, or another similar position in other legal entities, or making arrangements for another person to act as such;



3. providing a registered office, business address, headquarters, address for correspondence, or administrative address for a legal person or legal arrangement;
  4. acting or arranging for another person to act as a trustee for a trust fund or carrying out such duties for a legal arrangement;
  5. acting or arranging for another person to act as a nominative shareholder on behalf of another person
- e. Any other activity specified by a decision of the Committee.

**Article 5**

A transaction under this Law includes any purchase, sale, loan, commitment, any type of credit and extension thereof, mortgage, gift, transfer, movement, delivery, including for example opening an account, deposit, withdrawal, transfer between accounts, exchange of funds in any currency, whether in the form of cash, checks, payment order, or any other instrument, electronically or by any other non-material means, the use of safe deposit boxes or any other type of safe depositing, entering into a trust relationship, any payments to settle fully or partially any contractual or other legal commitment, establishing a legal person or legal arrangement, or any other disposition of funds or transaction designated by the supervisory authority.

**Chapter Two**

**Money Laundering and Terrorism Financing Offences**

**Article 6**

Any person who knew or , should have known or suspected that funds are the proceeds of a crime shall be deemed to have committed the offence of money laundering if he intentionally commits any of the following acts, whether that person had committed the predicate offence or not:

- a. Converts or transfers such funds with the purpose of disguising or concealing the illegal nature or source of such proceeds or of assisting any person who committed the predicate offense to evade punishment for their acts;
- b. Disguise or conceal the true nature, source, location, method of disposal, movement, or ownership of the funds and their related rights;
- c. Acquiring, possessing, or using such funds upon receipt.



**Article 7** The crime of money laundering is considered a separate crime from the predicate offense and sentencing the perpetrator for the predicate offense shall not prevent sentencing the perpetrator for the crime of money laundering resulting thereof. Conviction for the predicate offense shall not be required to prove that funds are proceeds of a crime.

**Article 8** Any person who willingly collects or provides funds, directly or indirectly and by any means, with the knowledge that such funds will be used in full or in part, to carry out a terrorist act, or by a terrorist individual or a terrorist organization, shall be deemed to have committed the offense of terrorism financing.

Such provisions include financing the travelling of individuals to a country other than their country of residence or nationality with the intent to perpetrate, plan, prepare for, participate to or facilitate terrorist acts, or provide necessary funds for training on terrorist acts or receiving such training.

**Article 9** A crime of terrorism financing shall be deemed to have been committed regardless of whether the act occurred or not, regardless of the country where the act or attempted act was carried out, and whether the funds were actually used to commit the terrorist act or not.

**Article 10** Any person who attempts or participates by agreeing, inciting or aiding to commit a money laundering or terrorism financing offence shall be considered an original offender. Legal persons shall be liable for such offence if committed in their name or on their behalf.

### Chapter Three

#### The National Committee for Combatting Money Laundering and Terrorism Financing



**Article 11** The Committee shall be established under the Chairmanship of the Executive President of the Central Bank of Oman and shall include members from competent authorities identified by a decision issued by the Council of Ministries.

In execution of its functions, the Committee may solicit the assistance of suitable experts.

**Article 12** The Committee shall at its first meeting hold a secret ballot vote to elect a deputy chairman from its members to replace the chairman in his absence or when there are any obstacles against exercising his functions, for a renewable period of two years.

**Article 13** The Committee shall have the following mandate:

- a. Establish and develop and follow up on the implementation of a national strategy for prohibiting and combating crimes of money laundering, terrorism financing, and financing activities involving weapons of mass destruction, in coordination with the competent regulatory authorities.
- b. Identify and assess money laundering and terrorism financing risks at the national level.
- c. Request, collect and analyze statistics and other information from competent authorities to assess the effectiveness of the AML/CFT system.
- d. Ensure the existence of effective methods of cooperation and coordination among competent authorities with respect to establishing, developing and implementing policies and activities for combating money laundering, terrorism financing, and financing activities involving weapons of mass destruction.
- e. Review international treaties and conventions on combating money laundering and terrorism financing, and issue recommendations concerning them to the Council of Ministries.
- f. Follow up on global and regional developments in the field of combating money laundering and terrorism financing, submit recommendations on the development of general policies and guidelines regarding offenses of money laundering and terrorism financing, and suggest suitable amendments to this law.
- g. Establish programs for the qualification and training of personnel working in the field of combating the offenses of money laundering and terrorism financing.
- h. Coordinate procedures for assessing risks of money laundering and terrorism financing at competent authorities.



- i. Promote awareness among financial institutions, non-financial businesses and professions, and non-profit associations and entities on the risks of money laundering and terrorism financing.
- j. Coordinate with the National Committee for Combating Terrorism in the implementation of UN Security Council resolutions on the consolidated lists for freezing the funds of designated persons and entities.
- k. Identify countries that it considers high-risk in the field of money laundering and terrorism financing, and measures to be taken regarding such countries and guide supervisory authorities to verify the compliance of financial institutions, non-financial businesses and professions, and non-profit associations and entities under their supervision in implementing such measures.
- l. Prepare the draft working procedures of the Centre and suggest its amendment.
- m. Adding any other activity or procedure to financial institutions, non-financial businesses and professions and non-profit associations and entities.
- n. Determine controls, terms, conditions and amount of financial incentives to be paid to personnel working in the field of combating crimes of money laundering and terrorism financing, and to any person who reports such crimes.
- o. Approval of the organizational structure and working procedure of the Committee.
- p. Approval of the Committee's budget, to be obtained from the Ministry of Finance.
- q. Submit an annual report to the Council of Ministries on the activities of the Committee.

**Article 14** A technical committee shall be established with its Chairman, members, mandate and operating procedures set by a decision of the Chairman, upon approval of the Committee.

**Article 15** The committee shall have a Secretariat reporting to the Chairman, its mandate and Secretary shall be specified by a decision of the chairman based on the approval of the Committee. The Secretariat shall be subject to the financial and staff regulations of the Central Bank of Oman.

#### Chapter Four

#### The National Centre for Financial Information



**Article 16** A Centre under the name of the National Centre for Financial Information shall be established as a legal person with administrative and financial autonomy under the Inspector General of the Police and Customs. The operating procedures of the Centre shall be issued by a decision of the Inspector General upon approval of from the Council of Ministries . Current procedures shall be followed until the Centre's working procedures are issued.

**Article 17** The Centre shall have an executive president appointed by a decision of the Inspector General of the Police and Customs upon approval of the Council of Ministries in accordance with procedures and controls stipulated in the operating procedures of the Centre.

**Article 18** The Centre shall have the mandate of receiving, analyzing and requesting reports and information, suspected of being related or linked to money laundering or terrorism financing activities. It shall also receive other information related to cash transactions, wire transfers, cross-border declarations and other threshold reports set by the supervisory authority.

**Article 19** The Centre may obtain any additional information and documents related to the reports and information it receives and other information it deems necessary to carry out its duties from reporting entities. Such entities shall provide the information at the time and in the form determined by the Centre.

**Article 20** Governmental and non-governmental institutions in the Sultanate shall cooperate with the Centre in carrying out its function, and shall provide it with information related to reports and information it receives from inside or outside, and that it deems necessary to carry out its duties, without invoking confidentiality provisions.

**Article 21** The Centre shall provide reporting entities with the necessary guidance and instructions on how to report suspicious transactions, including the specifications of the report and reporting procedures.

PUBLIC



**Article 22** The Centre should notify the competent supervisory authority in case the reporting entities subject to its supervision fail to meet their obligations as stated in this law for appropriate action thereon.

**Article 23** When there are sufficient grounds to suspect that funds are related to proceeds of a crime or suspected of being related or linked to money laundering or terrorism financing activities, the Centre shall forward the information and analysis results to the public prosecutor or any other competent authority for appropriate action.

**Article 24** The Centre shall provide financial institutions, non-financial businesses and professions, non-profit associations and entities, and supervisory authorities with feedback regarding reports received by the Centre, in accordance with rules and controls set by the Centre.

Feedback means reporting the use of provided information or result thereof, in order to enhance the effectiveness of implementing AML/CFT procedures.

**Article 25** The Centre may, in cases where it suspects that any of the crimes mentioned in this law are being perpetrated, suspend the execution of a transaction for a period not to exceed 72 hours to finalize with the analysis procedures. If the Centre concludes within this period, and based on the results of its analysis, that there are no sufficient grounds for suspicion, it shall issue an order to revoke the suspension of the transaction.

**Article 26** The Public Prosecution may, upon request of the Centre order the extension of the transaction suspension period for up to 10 days for further analysis, if there is evidence indicating that the transaction is in violation of the provisions of this law.

**Article 27** The Centre may enter into memorandums of understanding and exchange information on its own initiative or upon request with competent entities, while taking into consideration the necessary rules of confidentiality in this regard. The Centre shall have



the

authority to make the final decision regarding providing the information to the requesting party or not.

**Article 28** The Centre may exchange information on its own initiative or upon request with counterpart foreign Centre s or entities, while taking into consideration the necessary rules of confidentiality in this regard and without prejudice to the principle of reciprocity.

The Centre may also enter into memorandums of understanding or agreements with such Centre s or entities based on applicable procedures in the Sultanate.

**Article 29** The information mentioned in Articles 27 and 28 may not be used for purposes other than combating money laundering, predicate offenses linked thereto and terrorism financing.

**Article 30** Employees of the Centre shall not violate the confidentiality of any information they obtain in the course of carrying out their duties or use such information for purposes other than those intended for it. Such prohibition shall prevail even after termination of their services.

**Article 31** Employees of the Centre who by nature of their work, have access to data and information received by the Centre, may not occupy any position, carry out any duties at another entity, or engage in any commercial or professional activity in relation to their work at the Centre, for 3 years after the end of their employment at the Centre and in the manner specified in the Centre's operating procedures.

**Article 32** The Centre shall prepare an annual report on its activities in the area of combating money laundering and terrorism financing, specifically including a general analysis of the suspicious transactions reports it receives and activities and trends in money laundering and terrorism financing, and submit it to the Chairman. A summary of such report shall also be prepared for publication.



## Chapter Five

### Obligations of Financial Institutions, Non-Financial Businesses and Professions and Non- Profit Associations and Entities

**Article 33** Financial institutions, non-financial businesses and professions and non- profit associations and entities shall apply due diligence measures, taking into consideration the results of the risk assessment as per the provisions of Article 34 of this law. Due diligence measures include the following:

- a. Determine and verify the identity of customers based on reliable and independent sources, documents, data and information issued by official authorities in the following cases:
  1. before establishing a business relationship;
  2. before carrying out a transaction for a customer with whom it does not have an established business relationship the value of which is equal to or greater than the threshold specified by the supervisory authority, whether the transaction is executed in a single stage or in multiple stages;
  3. before executing a wire transfer for a customer with whom it does not have an established business relationship the value of which is equal to or greater than the threshold specified by the supervisory authority;
  4. when there is suspicion of a crime of money laundering or terrorism financing;
  5. when there are doubts concerning the accuracy or adequacy of obtained identification documents and information.
  
- b. Identify and verify the identity of any person acting on behalf of the customer and seek proof of the authenticity of their agency according to applicable regulations.
  
- c. Identify beneficial owners and take reasonable measures to verify their identity in a satisfactory manner. In the case of legal entities and arrangements, the ownership and control structure of the customer should be understood.



- d. Know the purpose of the business relationship, and obtain related information as appropriate.
- e. Continuously update the data and information stipulated in paragraph (a) of this Article related to its customers and beneficial owners whenever necessary, or based on the timeframe specified by supervisory authorities.

These entities shall also take measures stipulated in the previous paragraphs of this Article for customers and beneficial owners with which the institution had a business relationship upon the entry into force of this law, at times it sees fit, based on materiality and risks.

**Article 34**

Financial institutions, non-financial businesses and professions and non-profit associations and entities must comply with the following:

- a. Assess the money laundering and terrorism financing risks in their business, including risks in relation to developing new products and technologies. The risk assessment and its related information shall be documented in writing, kept up-to-date and readily available for competent supervisory authorities to review at their request.
- b. Establish and implement enhanced due diligence measures in high-risk cases. Entities may identify and conduct simplified due diligence measures in low-risk cases, provided that there is no suspicion of money laundering or terrorism financing.

**Article 35**

Financial institutions, non-financial business and professions and non-profit associations and entities must refrain from opening or maintaining anonymous accounts or accounts under fictitious names, numbers or secret codes, or providing any services for such accounts.

**Article 36**

Financial institutions, non-financial businesses and professions and non-profit associations and entities, must comply with the following:

- a. Monitor and scrutinize all relationships and transactions with customers on an ongoing basis to ensure that information regarding such relationships and transactions are consistent with the information available on the customer,



his/her commercial activities and risk profile, and where required, his/her source of funds and wealth. In high-risk cases, enhanced due diligence measures shall be applied and the degree and nature of monitoring increased.

- b. Examine data and documents obtained from the customer in accordance with Article 33 of this law, to ensure that it is kept up-to-date and consistent with available records.
- c. Implement specific and adequate measures to address the risks of money laundering and terrorism financing related to non-face-to-face business relationships or transactions for the purpose of identification.
- d. Establish appropriate risk management systems to determine whether a customer or beneficial owner is a politically exposed person. If the person is a foreign or local politically exposed person, currently or formerly appointed to a prominent position in an international organization, and provided that the business relationship with such person represent a higher risk, entities shall take the following measures:
  1. Obtain approval from their senior management before establishing or continuing a business relationship with such person.
  2. Take suitable measures to determine the source of his funds.
  3. Implement enhanced monitoring of the business relationship.
- e. Report threshold transactions specified by the supervisory authority to the Centre.

For the purposes of this Article, politically exposed persons are:

1. Any natural person currently or formerly appointed to a prominent position in the Sultanate of Oman or a foreign country, members of their family and close associates.
2. Any person currently or formerly appointed to a prominent position in an international organization, members of their family and close associates.

**Article 37** Financial institutions and non-financial businesses and professions may delay the completion of the process of verifying the identity of the customer or beneficial owner in accordance with Article 33 of this law, provided that:

- a. Verification is completed as soon possible after the start of the business relationship or the execution of the transaction;
- b. Delaying the verification is necessary in order not to interfere with the normal flow of business; and



- c. The risks of money laundering or terrorism financing are subject to effective control.

**Article 38** Financial institutions must take the following additional CDD measures and procedures when they establish correspondent relationships:

- a. Determine and verify the identity of the respondent institution.
- b. Gather sufficient information about the respondent institution in order to fully understand the nature of the respondent's business and evaluate its reputation through publically available information and the quality of supervision to which it is subject, including whether it has been subject to a money laundering or terrorist financing investigation or regulatory action.
- c. Evaluate the anti-money laundering and combating the financing of terrorism controls implemented by the respondent institution.
- d. Obtain the approval of their senior management before establishing correspondent relations.
- e. Ensuring the compliance of the other institution with the supervisory procedures of combating money laundering and terrorism financing.
- f. If there is a third-party payment account, ensure that the respondent institution has established and verified the identity of all customers having direct access to such account, and that it is able to provide relevant due diligence information to the correspondent institution upon request.
- g. Refrain from entering into or continuing correspondent relations with a shell bank.
- h. Refrain from entering into or continuing correspondent relations with a respondent institution that allows a shell bank to use its accounts.

**Article 39** Financial institutions, non-financial businesses and professions and non-profit associations and entities may not establish or maintain a business relationship or carry out a transaction if they are unable to meet obligations stipulated in Articles 33, 35, 36, 37 and 38 of this law, and must immediately notify the Centre to this effect.

**Article 40** Supervisory authorities, in coordination with the Centre and based on the risk assessment, may specify the conditions under which it is possible to apply simplified due diligence described in Article 34 of the present law.

**Article 41** Financial institutions, non-financial businesses and professions and non-profit associations and entities shall:



- a. Investigate the background and purpose of all large, complicated, and unusual transactions and all unusual patterns of transactions that do not have an apparent economic or lawful purpose.
- b. Investigate all transactions and business relations and take enhanced due diligence measures proportionate to the risks involved with persons from countries which do not apply sufficient controls for combating money laundering and terrorism financing.
- c. Develop policies and procedures to identify, assess and mitigate money laundering and terrorism financing risks that may arise from new technologies and business practices, including new delivery mechanisms, or from the use of new or developing technologies. In all cases, a risk assessment shall take place prior to launching the new product, business practice or the use of the new or developing technology.
- d. Apply measures stipulated by the Committee on higher-risk countries as mentioned in clause (K) of Article 13 of this law.

**Article 42** Financial institutions, non-financial businesses and professions and non-profit associations and entities must develop and implement programs for combating money laundering and terrorism financing and apply them to all members of the financial group. Such programs must include policies, procedures, internal regulations and controls to ensure the following:

- a. Establishing and applying high standards for hiring employees.
- b. Ongoing training for employees to keep them up-to-date with all aspects and requirements of combating money laundering and terrorism financing and new developments and technologies thereof, to detect transactions and activities linked to money laundering, predicate offenses and terrorism financing, and familiarize them with procedures that must be followed in such cases.
- c. The presence of an adequate audit function to verify compliance with policies, procedures, systems and internal controls and to ensure that such measures are effective and consistent with the provisions of this Law.

**Article 43** Financial institutions shall put in place and develop mechanisms for exchanging information with other members of the financial group and protecting the confidentiality and use of exchanged information.

**Article 44** Financial institutions, non-financial businesses and professions, and non-profit associations and entities shall comply with the following:

- a. Retain all records, documents, information, and data, both domestic and international for a period of at least 10 years after a transaction is carried out. Such records must be



sufficient and detailed to facilitate tracking and retrieving every transaction when required according to the provisions of this law.

b. Retain records, documents, information, and data obtained through the customer due diligence process under this Chapter, especially account files, business correspondence and the results of any analysis undertaken for at least ten years after the business relationship is ended, or after a transaction is carried out for a customer who is not in an established business relationship with the institution.

c. Make such records, documents, information, and data available immediately, upon request, to judicial authorities, the Centre, and supervisory authorities, each within their own jurisdiction. Such entities may and in cases where they deem it necessary, request the extension of the - period specified in this article.

Financial Institutions, non-financial businesses and professions and non-profit associations and entities may retain certified copies of such original records, documents, information, and data, which shall have the same validity as the originals.

**Article 45** The provisions of Articles 33, 35, 36, 37, 38, 39, 41 and 44 of this law shall not apply to real estate agents and brokers unless they are involved in transactions concerning the buying or selling of real estate for their clients.

**Article 46** Financial institutions that engage in wire transfers shall obtain information on the originator and recipient and ensure that such information exists within the wire transfer orders or related messages.

Any financial institution originating the wire transfer that is unable to obtain such information shall not execute the transfer.

**Article 47** As an exception to the provisions on the confidentiality of banking transactions and professional and contractual secrecy, financial institutions, non-financial businesses and professions, non-profit associations and entities, their managers, members of the board of directors, owners, authorized representatives, employees, agents, partners and professionals performing any work for their account, must notify the Centre immediately if they suspect or have reasonable grounds to suspect that funds are the proceeds of



crime, or are related to money laundering or terrorism financing. The reporting obligation also extends to attempted transactions regardless of their value.

There shall be no penal, civil, or administrative liability on the reporting persons when reporting according to the provisions of this Article.

**Article 48** The requirement to report stipulated in Article 47 of this Law shall not apply to attorneys, notaries public, accountants, and other professionals including certified auditors, if the information concerning their clients was obtained in order to evaluate their legal status, defend or represent them in court or arbitration procedures, or to provide a legal opinion on a matter related to judicial proceedings, including giving advice on starting or avoiding such proceedings, regardless of whether the information was obtained before, during, or after the conclusion of the judicial proceedings.

**Article 49** Reporting persons as identified under Article 47 of this Law shall not reveal to the customer, beneficial owner or any other party, directly or indirectly and by any means whatsoever, that they have issued or are about to issue a suspicious transaction report nor should they give any information or data in relation to such reports or alert them to any investigation in this regard.

**Article 50** Financial institutions shall require their branches and majority owned subsidiaries to implement the requirements of this chapter, within the limits authorized by laws and regulations in effect in the country where the company or branch is located. If such laws do not require their compliance with these requirements, the financial institution shall notify the supervisory authority to this effect.

## Chapter Six

### Supervisory Authorities

PUBLIC



**Article 51** Supervisory authorities should, regulate, supervise and monitor compliance by financial institutions, non-financial businesses and professions and non-profit associations and entities with the requirements to implement the provisions of this Law, and regulations, resolutions and instructions issued in implementation thereof, in addition to relevant regulations, resolutions and instructions, according to a risk-based approach. Supervisory authorities shall especially abide by the following:

- a. Collect information and other data from financial institutions and non-financial businesses and professions, and non-profit associations and entities and to conduct on-site supervision. Supervisory authorities may implement this obligation by contracting with a third party.
- b. Compel financial institutions, non-financial businesses and professions and non-profit associations and entities to provide any information and take copies of documents and files, however and wherever stored inside or outside their premises.
- c. Issue regulations, controls, instructions, guidelines, and recommendations to assist financial institutions, non-financial businesses and professions and non-profit associations and entities in implementing the provisions of this law, in coordination with the Centre.
- d. Cooperate and coordinate effectively with other competent authorities to provide assistance in carrying out inquiries in all stages of investigation and prosecution related to combating money laundering, related predicate offenses, and terrorism financing.
- e. Cooperate effectively with counterpart entities that carry out similar functions in other countries, by exchanging information and signing memoranda of understanding.
- f. Inform the Centre without delay of any information related to suspicious transactions or any other information that may be related to money laundering, its predicate offenses, or terrorism financing; provide the Centre with the data, information, and statistics required to carry out its duties.
- g. Apply consolidated supervision on financial groups and ensure that foreign branches and majority-owned subsidiaries of financial institutions and non-financial business and professions adopt and implement procedures in accordance with this law.
- h. Develop and implement controls and procedures for the ownership and control of financial institutions, and non-financial businesses and professions and non-profit associations and entities as well as participation in managing or operating them, directly or indirectly.
- i. Evaluate the members of the board, senior management, and managers of financial institutions, non-financial businesses and professions and non-profit associations and entities based on fit and proper standards including, experience and integrity.



- j. Maintain statistics on measures taken and penalties imposed within the framework of implementing the provisions of this law.
- k. Specify the threshold of transactions and verify compliance of financial institutions, non-financial businesses and professions and non- profit associations and entities with their reporting requirement to the Centre.
- l. Identify the type and scope of measures to be taken by financial institutions, non-financial businesses and professions and non- profit associations and entities in accordance with Article 42 of this law in line with the money laundering and terrorism financing risk level and the volume of commercial activity.

**Article 52**

Without prejudice to any sanctions stipulated for in this Law or any other law, supervisory authorities shall, in cases of violation by financial institutions, non-financial businesses and professions and non- profit associations and entities under their supervision of the obligations stipulated for in this law or relevant regulations, resolutions or instructions, impose one or more of the following measures or sanctions:

- a. Send a written warning;
- b. Issue an order to comply with specific instructions;
- c. Issue an order to submit regular reports on the measures being taken;
- d. Impose an administrative fine of not less than RO 10,000 and not more than RO 100,000 for each violation;
- e. Replace or limit the mandate of compliance officers, directors, members of the board, or controlling owners, including the appointment of a special administrative supervisor;
- f. Suspend the work of violating persons in the commercial business sector or in a particular occupation or activity, either permanently or temporarily;
- g. Impose guardianship over the entity
- h. Suspend, cancel, or place restrictions on the license to practice operations or activity;

The competent supervisory authority shall notify the Centre of the measures and sanctions taken in this respect, and may publish information on these measures through available means of publication.

**Chapter Seven**



### Customs Declaration

**Article 53** Any person entering or exiting Omani territory carrying currency or bearer-negotiable instruments, or arranging for their transfer inside or outside the country by mail or shipping services, shall declare such instruments to the Customs Authority if they amount to or exceed the threshold set by the Committee.

The Customs Authority may request the person for additional information concerning the source and purpose of use of such instruments.

**Article 54** The Customs Authority shall establish an electronic system to retain declarations and information stipulated in Article 53 for a period of not less than five years, which may be extended at the request of competent authorities. The Centre shall have the right to access and use the same when necessary.

**Article 55** In case of suspicion of money laundering, its related predicate offense, or terrorism financing, or in case of non-declaration as stipulated in Article 53 or false declaration, the Customs Authority shall seize the currency and bearer-negotiable instruments for a period not to exceed 45 days and immediately notify the Centre. The Office of the Public Prosecutor may extend the seizure for a similar period upon request of the Centre.

**Article 56** Employees of the Customs Authority must maintain the secrecy of the information they obtain or get to know in implementing the provisions of this Law. This obligation shall be applicable even after termination of their service. In all cases, such information may be used only for the purposes of implementing the provisions of this law.

**Article 57** The Customs Authority shall issue procedures and instructions for the purposes of implementing the provisions of this chapter.



## Chapter Eight

### International Cooperation

**Article 58** Without prejudice to the provisions of conventions and agreements ratified by the Sultanate of Oman, or in accordance with the principle of reciprocity, competent and supervisory authorities shall cooperate with their counterparts in other countries for the purposes of legal and judicial assistance and extraditing criminals in the field of money laundering, related predicate offenses, and terrorism financing, in accordance with the provisions of this Chapter.

**Article 59** In the context of implementing the provisions of this Law, the National Counter-Terrorism Committee shall establish the necessary procedures for the implementation of UN Security Council Resolutions, pursuant to Chapter 7 of the UN Charter on:

- a. The prevention and suppression of terrorism and its financing
- b. The prevention, suppression and disruption of proliferation of *weapons of mass destructions* (WMD) and its financing.

**Article 60** In the context of implementing the provisions of this Law, in case of a request to extradite criminals or for legal or judicial assistance, the double incrimination principle shall apply regardless of whether the laws of the country requesting assistance place the crime in the same category or not or denominates the crime using the same term as in Oman or not.

**Article 61** The Public Prosecutor shall have the jurisdiction to receive requests for legal and judicial assistance and extradition from competent foreign authorities in relation to money laundering, related predicate offenses, and terrorism financing.

**Article 62** Requests for legal and judicial assistance or extradition must include the following information:

- a. Identification of the requesting entity,
- b. Identification of the party in charge of investigating, prosecuting, or examining the case;

PUBLIC



- c. Identification of the entity to which the request is addressed;
- d. The purpose of the request;
- e. The facts supporting the request,
- f. Any information that may facilitate the identification and tracking of the wanted individual, particularly his name, social status, nationality, address, and profession;
- g. Any information needed to identify and track funds or instrumentalities;
- h. Legal provisions that criminalize the act committed and the penalty that may be imposed on the perpetrator of the crime;
- i. The type of assistance requested and the details of any particular procedures that the requesting country wishes to implement.

In addition, the request must include the following information in certain specific cases:

- 1) In case of a request to take provisional measures, the details of the measures requested;
- 2) In case of a request to confiscate, a statement of the relevant facts and evidence to allow issuance of a confiscation court decision in accordance with the laws of Oman;
- 3) In case of a request to execute an order for a provisional measure or confiscation court decision:
  - a. A certified copy of the order/decision and justification for issuing it, if not explained in the order/-decision itself;
  - b. A document certifying that the order/-decision must be implemented and is irrevocable by means of ordinary appeal;
  - c. A statement indicating the purpose to be achieved from the execution of the order/decision and the amount to be recovered out of the value of the funds;
  - d. Any information concerning the rights of third parties to the funds, proceeds, instrumentalities, or other related items;
- 4) In the case of a request for extradition:
  - a. An arrest warrant or subpoena issued by the competent authority where the person was not convicted of a crime and the original or a certified copy of the judicial decision stating that the decision must be implemented and is irrevocable where the person has been convicted of committing a crime.
  - b. An undertaking by the requesting country that it will not prosecute or sanction the person to be extradited for any crime that took place prior to the extradition request other than the crime mentioned in the extradition request.
  - c. An undertaking by the requesting country to refrain from extraditing the person to a third country unless after obtaining the approval of the Sultanate.
  - d. An undertaking by the requesting country to provide a fair trial of the extradited person and ensure sufficient guarantees for him to defend himself.



**Article 63** The Public Prosecutor or the competent authority may request additional information from the competent foreign authority if such information is necessary to implement legal assistance or extradition requests or facilitate its execution.

**Article 64** The request for legal assistance or extradition must remain confidential if this is specified in the request, and if this is not possible, the requesting party must be notified immediately.

**Article 65** The Public Prosecutor may delay forwarding the request for legal assistance and extradition to the authorities responsible for implementing it if such forwarding may affect an investigation or lawsuit currently under way, in which case the requesting authority must be informed immediately.

**Article 66** Mutual legal and judicial assistance includes the following:

- a. Obtaining evidence or statements from persons;
- b. Assisting in the appearance of detained persons, voluntary witnesses, or other parties appear before the judicial authorities of the requesting country in order to present evidence or assist in investigations;
- c. Delivering legal or judicial documents;
- d. Implementing search and seizure operations;
- e. Inspecting and examining objects and sites;
- f. Submitting information or physical evidence and expert reports;
- g. Submitting originals or certified copies of relevant documents and records, including government, banking, or financial records, or the records of commercial establishments, businesses, or professions;
- h. Identifying or tracking the proceeds of a crime or funds, instrumentalities, or other items for the purposes of providing evidence or confiscation;
- i. Confiscating assets;
- j. Implementing measures of freezing assets or other provisional measures;
- k. Any other type of legal and judicial assistance that does not conflict with the laws in force in Oman.

**Article 67** A request for mutual legal assistance may only be refused in the following cases:



- a. If the request was not issued by the competent authority in accordance with the law of the requesting country, if the request was not sent in accordance with the laws in force, or if it fails to meet any of the requirements under Article 62 of this law.
- b. If implementing the request could adversely affect Oman's security, sovereignty, public order, or other fundamental interests.
- c. If the crime to which the request is related is the subject of a lawsuit or if a final verdict has been issued regarding it in Oman.
- d. If the requested order or measure targets the person concerned because of his race, religion, nationality, origin, political opinions, gender, or condition.
- e. If the crime referred to in the request is not stipulated for in the laws of Oman or does not have characteristics in common with a crime described in the laws of Oman. In all cases, assistance may be provided if it does not contain obligatory measures.
- f. If the order to take the requested measures cannot be issued or implemented owing to the statute of limitation applicable to money laundering or terrorism financing in accordance with the laws of the requesting country.
- g. If the order to be implemented cannot be implemented in accordance with the law in Oman.
- h. If the decision was issued in the country requesting assistance under circumstances that do not provide sufficient guarantees and protection with respect to the rights of the defendant.

**Article 68**

A request for mutual legal assistance may not be refused on the basis of confidentiality requirements imposed on financial institutions, or simply because the crime includes fiscal or financial matters. Any decision issued by the court concerning a request for mutual legal assistance shall be considered final. A request for extradition may also not be refused simply because the crime includes fiscal or financial matters.

In case of refusal to implement the request, the Public Prosecutor shall inform the requesting authority immediately of the reasons for the refusal.

**Article 69**

A mutual legal assistance request may be implemented if it includes a request for civil confiscation of the funds of a dead, absent or anonymous person.

**Article 70**

Requests for investigation shall be implemented in accordance with the procedures prescribed in the Law of Criminal Procedure provided that the request does not include specific procedures that do not conflict with the procedures prescribed by such Law.



**Article 71** Requests to implement provisional measures are implemented in accordance with the Law of Criminal Procedure, and if the requested measures are not mentioned in the Law of Criminal Procedure, the Public Prosecutor may replace them with similar measures from that Law with similar effects. Before issuing an order to lift provisional measures, the country requesting assistance must be informed.

**Article 72** If a request for mutual legal and judicial assistance is received to execute a confiscation order issued by the court of the requesting country, the Public Prosecutor shall forward it to the competent court to decide on. The confiscation order shall only apply to the funds described in Article 100 and located within the Sultanate of Oman.

**Article 73** The Sultanate of Oman shall have the authority to share in the confiscated funds in its territory in accordance with any agreement concluded with the requesting country and without prejudice to the rights of third parties in good faith.

**Article 74** The Public Prosecutor's Office may conclude bilateral or multi-lateral agreements concerning joint investigations. In the absence of such agreements, joint investigations may be carried out on a case by case basis.

**Article 75** Requests for extradition of perpetrators of crimes of money laundering, related predicate offenses, or terrorism financing shall be subject to the procedures and principles stipulated for in treaties and agreements on the extradition of criminals to which the Sultanate of Oman is a party, and to the provisions of this Law and the Law of Extradition.

**Article 76** Requests for extradition may be denied in the following cases:

- a. If investigations are currently underway against the person to be extradited in the Sultanate of Oman, in connection with the crime for which the extradition is requested.
- b. If the crime was committed outside the territory of both the Sultanate of Oman or the requesting country, and Omani law does not stipulate for jurisdiction over crimes committed outside its territory with respect to the crime for which the extradition is requested.



- c. If a final judicial order was issued against the person to be extradited for committing the crime for which the extradition is requested, or if he would be prosecuted in the requesting country by an irregular court, an exceptional court, or by a special court or other body for this purpose.
- d. If the Sultanate of Oman believes, that due to the nature of the crime and its circumstances, that extraditing the person in question would be incompatible with human considerations because of their age, health, or other personal circumstances.
- e. If the request for extradition is based on a final ruling in absentia of the convicted person without providing him with legal guarantees for a fair trial, and giving him the opportunity for the case to be reviewed.
- f. If the crime falls within the Sultanate judicial jurisdiction.

**Article 77** Extradition is not possible in the following cases:

- a. If the person to be extradited is an Omani citizen.
- b. If there are serious reasons to believe that the request for extradition was submitted for the purposes of prosecuting or sanctioning a person on account of his gender, race, religion, nationality, origin, or political opinions, or that implementing the request would lead to their being harmed for any of these reasons, or that the person to be extradited was or will be subjected to torture or harsh, inhuman or humiliating treatment, or does or will not have the minimum guarantees of security with respect to the criminal procedures, in accordance with international standards on this subject.
- c. If a final judgment has been issued in the Sultanate of Oman concerning the crime for which the extradition was requested.
- d. If criminal liability of the person to be extradited no longer exists for any reason whatsoever.

**Article 78** The denial of an extradition request for any of the reasons mentioned in the provisions of this law, does not preclude the legal prosecution of the person concerned with the extradition request.

**Article 79** A person may be extradited after receiving a request for temporary arrest from the requesting country, provided that the person to be extradited agrees in writing to the extradition.

**Article 80** When a request for extradition is accepted, the Sultanate of Oman may, within the limits permitted by its national laws and with due consideration to the rights of third



parties in good faith, turn over all funds, proceeds of crime, and instrumentalities within its territory linked to the crime committed, or required as evidence, if requested by the country in question. Funds may be turned over to the requesting country, even if the agreed-upon extradition does not take place.

If such funds, proceeds or instrumentalities were subject to seizure or confiscation in the Sultanate of Oman, the State may retain it on a temporary basis.

In all cases, the Sultanate may require the return of such funds, proceeds and instrumentalities to it free of charge after the purpose of its turning over is achieved.

## Chapter Nine

### Investigation

**Article 81** The Public Prosecutor may, in order to uncover facts concerning a crime of money laundering, terrorism financing, or related predicate offenses, review the records and documents, and obtain information in the possession of financial institutions, non-financial businesses and professions and non-profit associations and entities, or any other person, and may seize such records and documents and any other documents if deemed necessary for the investigation.

**Article 82** The Public Prosecutor or his deputy may issue an order to take provisional measures including freezing or seizure of funds, instrumentalities, or proceeds of a crime of money laundering, its predicate offenses, or terrorism financing, and any property of a similar value of such proceeds. Concerned parties may submit a grievance before the Court of First Instance in chambers within 30 days of the date of its implementation. The decision of the court regarding such grievance shall be final.

**Article 83** When there is sufficient evidence or serious indications of the commission of a crime of money laundering, terrorism financing, or the related predicate offenses, the Public

PUBLIC



Prosecutor or his deputy may issue an order to monitor or intercept communications, record actions or conversations using audio-visual equipment, access to computer systems, account monitoring, controlled delivery, determination of funds, seizure of documents and correspondence, travel bans, and other measures to help uncover such facts. In all cases, such measures must be justified and temporary for a period not to exceed three (3) months, which may be extended only by an order from the competent court upon request of the Public Prosecutor-

**Article 84** The Public Prosecutor may authorize investigating a crime of money laundering, terrorism financing, or related predicate offenses through an undercover operation or controlled delivery for the purposes of obtaining evidence related to these crimes, or to trace the proceeds of a crime.

Any person conducting an investigation through undercover operations or controlled delivery may not be held accountable or accused for carrying out any act that may constitute a money laundering offense, related predicate offense or terrorism financing as long as he does not exceed the powers granted to him or investigates the commission of such crimes.

**Article 85** The Public Prosecutor shall issue a decision to establish a specialized administration for the supervision of frozen, seized and confiscated funds, the tracking of funds that may be subject to freezing, seizure or confiscation, collecting and preserving all data related to such funds and measures taken in that regard.

Such administration may authorize a competent person in the field to manage seized or confiscated funds.

It may also entrust the management of the frozen funds to the financial institution or the entity appointed by the concerned party itself before the order is issued.



**Article 86** Without prejudice to the provisions of Article 4 of the Law of Criminal Procedure, the Public Prosecutor may investigate a crime of money laundering independently of the predicate crime.

## Chapter Ten

### Penalties

**Article 87** Without prejudice to a more severe punishment provided for in any other law, the offences specified in this law shall be punishable by the penalties provided therein.

**Article 88** Whoever commits a crime of money laundering shall be punishable by the following:

- a. Imprisonment for a term of not less than 5 years but not exceeding 10 years and with a fine of not less than RO 50,000 but not exceeding the equivalent of the value of the funds subject of the offence, when such person knows or suspects that the funds are proceeds of a crime.
- b. Imprisonment for a period of not less than six months but not exceeding three (3) years, and a fine of not less than RO 10,000 but not exceeding the equivalent of the value of the funds subject of the offence, when such person should have known that funds are the proceeds of a crime.

**Article 89** Whoever commits a crime of terrorism financing shall be punishable with imprisonment for a term of not less than 10 years and a fine of not less than RO 50,000 but not exceeding the equivalent of the value of the funds collected or provided.

**Article 90** A legal person the responsibility of which has been proven in a crime of money laundering or terrorism financing shall be punishable with a fine of not less than RO 100,000 and not exceeding the equivalent value of funds subject of the offence. The Court may in addition order to suspend its commercial activities permanently or temporarily, close down its headquarter used for the perpetration of the crime, liquidate the business or place it under judicial supervision to manage its funds. The final decree of conviction shall be published through the means of publication.



**Article 91** Any person who attempts or participates by conspiring, abetting or aiding, to commit a money laundering or terrorism financing offence, shall be punished as an original offender.

**Article 92** Penalties stipulated for in this Law shall be doubled in the following cases:

- 1) If the offender committed the offence through a criminal organization.
- 2) If the offender committed the offence by abusing his powers or influence through a financial institution or a non-profit or non-governmental organization or the like, or by using the facilities vested in him by his office, professional activity or social status.
- 3) In cases of recidivism.

**Article 93** A perpetrator who reports to competent authorities information about the offence and the persons involved, before the crime is perpetrated and provided that the authorities have no prior knowledge of such offence, may be exempted by court from penalties stipulated in this law. If the reporting takes place after the authorities have knowledge of the offence and leads to the arrest of any of the perpetrators or the confiscation of the instrumentalities and proceeds of the offence, the court may order to suspend the execution of the imprisonment sentence.

**Article 94** The Court may mitigate the penalties stipulated for in this Law in cases where the reporting took place after the authorities have knowledge of the offence and enabled it the following:

- a. Discovering the identity of the other perpetrators of the crime;
- b. Obtaining evidence;
- c. Preventing the commission of other crimes related to money laundering or terrorism financing;
- d. Depriving criminal organizations from their resources or proceeds of crime.

**Article 95** A penalty of imprisonment for a term of not less than six months but not exceeding two years and a fine of not less than RO 10,000 but not exceeding RO 50,000, or one of these two punishments, shall be imposed on any of the chairmen and members of the boards of financial institutions, non-financial businesses and professions and non-



profit associations and entities, their owners, authorized representatives or employees who, acting intentionally or because of gross negligence, contravene any of the obligations specified in any of the Articles of Chapter Five of this law.

**Article 96** Chairmen and members of the boards of financial institutions and non-financial businesses and professions, non-profit associations and entities, their owners, authorized representatives or employees who have failed to comply whether intentionally or by gross negligence with obligations stipulated in Articles 47 and 49 of this Law, shall be punishable with imprisonment for a term of not less than six months but not exceeding three years and a fine of not less than RO 10,000 but not exceeding RO 20,000 or one of these two penalties. If the violation is in the interest or on behalf of a legal person, they shall be punishable with a fine of not less than RO 50,000 but not exceeding RO 100,000.

**Article 97** Any person who intentionally or because of gross negligence fails to comply with obligations stipulated in Articles 30 and 56 of the present Law, is punishable with imprisonment for a term not exceeding two years and a fine not exceeding OR 10,000, or one of these two penalties.

**Article 98** Any person who intentionally or with gross negligence contravenes the provisions of Article 53 of this Law to provide declarations, or by providing false data or information about currencies or bearer negotiable instruments, or concealing facts that should be disclosed, shall be punishable with imprisonment for a term not exceeding three years and a fine not exceeding RO 10,000 or one of these sanctions. If the violator is a legal person, it should be punishable with a fine of not less than RO 10,000 and not exceeding the value of the funds subject of the crime.

**Article 99** The imposition of penalties under the provisions of this Chapter shall not prevent the imposition of sanctions and measures by supervisory authorities against financial institutions or non-financial business and professions as stipulated in Article 52 of this Law.



**Article 100** Without prejudice to the rights of third parties in good faith, in the event of a conviction for a crime of money laundering, related predicate offenses, or terrorism financing, the court shall issue a decision for the confiscation of the following:

- a. Funds subject of the offense;
- b. Proceeds of the offence, including funds resulting from or exchanged for such proceeds;
- c. Incomes and interests generated by funds subject of the offense or by proceeds of crime;
- d. Instrumentalities; or
- e. Any funds of corresponding value to the funds under clauses (a) to (d), if these cannot be located, or have dissipated.

Confiscation shall take place even if the funds or proceeds are in the possession or owned by another party, unless such party proves that he acquired them in good faith and in exchange of a service rendered corresponding to the value of such funds without knowledge of their illicit origin.

The confiscated property shall remain encumbered within the limits of its value with the lawfully determined rights of third parties in good faith.

**Article 101** Death of the perpetrator or his anonymity shall not impede confiscation pursuant to Article 100 of this Law.

**Article 102** The competent authority managing funds at the Office of the Public Prosecutor may authorize the sale of confiscated funds, proceeds and instrumentalities involved in the crime.

**Article 103** Money laundering and terrorism financing offences shall be excluded from the provisions governing the lapse of a public lawsuit and the court shall order in all cases the confiscation of the funds in accordance with the provisions of this Law or the imposition of an additional fine of equivalent value in case such funds cannot be seized.

**Article 104** Without prejudice to the rights of third parties in good faith, any contract or disposition in which one or more of the parties knew that its purpose was to prevent confiscation of the funds, shall be null and void.



**Article 105** A percentage of not less than 30% of the total of confiscated funds shall be used for the development of combating money laundering and terrorism financing systems in accordance with procedures and controls stipulated by the Committee.

## Chapter Eleven

### Final Provisions

**Article 106** Without prejudice to the provisions of Article 51 of this Law, the chairman may issue any necessary decisions for the implementation of the provisions of this Law. Until such decisions are issued, regulations and decisions in force shall remain applicable when not in conflict with the provisions of this Law.

**Article 107** The powers and allowances of the FIU at the Royal Omani Police shall be transferred to the Centre. Staff of the Unit appointed by decision of the Inspector General of the Police and Customs shall be transferred to the Centre.

**Article 108** The Law on Combatting Money Laundering and Terrorism Financing issued by Royal Decree no. 79/2010 shall be repealed in addition to any texts contradicting or conflicting with the provisions of this Law.

**Article 109** This law shall come into force on the day following its publication in the Official Gazette.