

REGULATION ON THE PROCEDURES AND PRINCIPLES REGARDING THE IMPLEMENTATION OF LAW ON THE PREVENTION OF THE FINANCING OF TERRORISM

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CHAPTER ONE

Purpose, Scope, Base and Definitions

Purpose and Scope

Article 1- (1) The purpose of this Regulation, for the implementation of Law No.6415 on the Prevention of the Financing of Terrorism dated 07/02/2013, is to regulate principles and procedures regarding making, executing, revoking of the asset freezing decisions, and management and control of frozen assets within the scope of effective fight against terrorism and financing of terrorism.

Base

Article 2- (1) This Regulation has been drawn up on the basis of Article 19 of Law No.6415 on the Prevention of the Financing of Terrorism.

Definitions and Abbreviations

ARTICLE 3 – (1) In the implementation of this Regulation;

a) Head of MASAK means Head of Financial Crimes Investigation Board,

b) MASAK means Financial Crimes Investigation Board,

c) UNSC means United Nations Security Council,

ç) Examiner means the examiners specified in paragraph (1)(e) of Article (2) of the Law No.5549 regarding Prevention of Laundering Proceeds of Crime dated 11/10/2006,

d) Fund means, money or any instruments such as bank credits, bank or travellers cheque, money orders, securities, shares, guarantees, bill of exchange, bonds, policies, letter of credits and property, right, claims of every kind whether movable or immovable, tangible or intangible, however acquired, which could be represented by money and all kinds of documents in any form, including electronic or digital, evidencing title to, or interest in such assets,

e) Law means the Law No.6415 on the Prevention of the Financing of Terrorism dated 07/02/2013,

f) Reciprocity principle means the government of a foreign country making a request from Turkey on freezing of asset under the possession of a person, institution or organization will have the legal arrangements meeting the stipulated requirements for the states determined in UNSC Resolution 1373 (2001) and act in accordance with these arrangements,

g) Institutions or organizations means all associations or foundations either they have legal personality or not; or platforms, their upper or lower units, branches or agencies; and branches or agencies of the platforms in Turkey whose head offices are abroad,

ğ) Commission means the Commission for the Assessment on Freezing of Asset

h) **Treasury and Finance Expert** means **the Treasury and Finance Expert** employed within MASAK,

i) Asset means;

1) the fund, all kinds of proceeds jointly or wholly owned or possessed or directly or indirectly controlled by a natural or legal person, and the benefits and values **gained from them or** generated from conversion of them into one another,

2) **the fund, all kinds of proceeds jointly or wholly owned or possessed or directly or indirectly controlled by a natural or legal person acting on behalf of or for another natural or legal person, and the benefits and values gained from them or generated from conversion of them into one another,**

i) Freezing of asset means removal of the power of disposition over the asset for the purpose of preventing obliteration, consumption, conversion, transfer, assignation, conveyance and other dispositional acts of the asset or restriction of it within the framework of transactions permitted to be carried out in the second and third paragraphs of Article 13 of the Law,

j) Assurance means the commitment of the requesting country to compensate possible loss of a person, institution or organization due to freezing of assets, upon request made by the government of a foreign country to Turkey,

k) Terrorist means the person who perpetrate or attempt to perpetrate the acts stated in article 3 of the Law.

l) Terrorist organization means the organization who perpetrate or attempt to perpetrate the acts stated in article 3 of the Law.

m) The offence of the financing of terrorism means providing or collecting funds for a terrorist or terrorist organisations with the intention that they are used or knowing and willing that they are to be used, even without being linked to a specific act, in full or in part, in perpetration of the acts that are set forth as crime within the scope of Article 3 of the Law.

CHAPTER TWO

Freezing of Asset

UNSC Resolutions

ARTICLE 4 - (1) The information submitted through Ministry of Foreign Affairs relating to the persons, institutions and organisations designated by the United Nations Security Council Resolutions 1267(1999), 1988 (2011), 1989 (2011) **and 2253 (2015)** and its successor resolutions shall be conveyed without delay to the **Presidency by MASAK** in order that President takes decision of freezing of assets.

(2) If the persons, institutions or organizations, about whom decision on freezing of assets is made are delisted by UNSC, the information conveyed by the Ministry of Foreign Affairs shall be notified without delay **to the Presidency** by MASAK for repealing of the decision on freezing of asset **by the President**.

(3) The decisions of the **President** regarding freezing of assets and repeal of such decisions shall be executed without delay, upon being published in the Official Gazette. The decisions published shall be submitted to Ministry of Foreign Affairs by MASAK to be notified to UNSC.

(4) The delisting applications against UNSC Resolutions with the claim that the designation is based on unjust grounds shall be made to MASAK in writing with the justification by annexing relevant documents, if any. The applications made shall be sent to Ministry of Foreign Affairs by MASAK in order to be conveyed to UNSC, **by taking into account the**

regulations regarding the application authority and methods determined by UNSC resolutions.

Listing Requests to be Proposed to UNSC

ARTICLE 4/A – (1) Relevant public institutions and organizations shall submit the information, documents and assessments regarding the listing requests on the persons, institutions and organizations of whom there are reasonable grounds that they committed the acts within the scope of articles 3 and 4 of the Law pursuant to the United Nations Security Council Resolutions 1267(1999), 1988 (2011), 1989 (2011) and 2253 (2015) and its successor resolutions or the delisting requests on them in the case that the reasonable grounds are removed, to MASAK.

(2) MASAK shall submit the results of the financial search it made based on the information, documents and assessments regarding the requests to be made pursuant to paragraph (1) or spontaneously to the Commission in a search report.

(3) Commission may decide to make proposal to the President for the listing requests on the persons, institutions and organizations of whom there are reasonable grounds that they committed the acts within the scope of articles 3 and 4 of the Law or the delisting requests on them in the case that the reasonable grounds are removed. The decision made by the Commission shall be registered in a minute.

(4) The decision of the Commission regarding the proposal for listing or delisting shall be submitted with the search report to the Presidency urgently

(5) The letter of request prepared upon the decision of the President for listing or delisting requests to be submitted to UNSC shall be sent to the Ministry of Foreign Affairs by MASAK in order to be notified to UNSC.

Requests Made by Foreign Countries

ARTICLE 5 – (1) The requests of the government of a foreign country to Turkey on freezing of asset of a person, institution or organization shall be made with its grounds to MASAK. If the requests are made to Ministry of Justice or Ministry of Foreign Affairs or another institution then they shall be conveyed by this institutions to MASAK immediately. MASAK shall inform the Ministry of Foreign Affairs of the requests made to the institutions other than the Ministry of Foreign Affairs.

(2) MASAK shall immediately inform the members of Commission of incoming requests. With regard to the requests, MASAK may also ask for information from, institutions in which the Commission members are in office and law enforcement units or other relevant public institutions and organizations. These institutions and organizations shall transmit the information, documents and their assessments relating to the request to MASAK according to the prescribed duration **and form**.

(3) The information and documents obtained from other public institutions and organizations on the requests, their assessments concerning the grounds of the requests, and the results of the financial searches carried out by MASAK shall be immediately presented to Commission by a search report.

(4) The assessments made by the Commission shall be recorded in a minute by considering the search report and the issues of reciprocity principle and whether an assurance from the requesting country is necessary. The search report prepared by MASAK and the minute shall be sent **to Presidency** immediately

(5) The Decisions of **the President** relating to freezing of asset shall be sent to Ministry of Foreign Affairs in order to be conveyed to the requesting country. The following respects shall be included in the notification;

a) The decision may be repealed if an investigation is not initiated by the requesting country within one year as from the date when the decision is published in the Official Gazette,

b) It is necessary to give information regarding the contents, phases and results of the investigation without delay if an investigation is initiated relating to the case,

c) If additional information and findings related to requests are obtained, these shall also be immediately conveyed.

(6) If the request is refused by the **President**, the situation shall be conveyed to Ministry of Foreign Affairs by MASAK in order to be notified to the requesting country without any other action.

(7) The matter on whether the decision on freezing of asset will be repealed or not shall be assessed by the Commission basing upon the information received within the scope of paragraph (5) without delay or upon the request of the person whose asset was frozen or ex officio at the end of each year and be recorded in a minute. The minute shall be sent by MASAK **to the Presidency** without delay.

Requests to Foreign Countries for Freezing of Asset

ARTICLE 6 – (1) The relevant public institutions and organizations shall submit information, documents and their assessments to MASAK relating to the requests to be made on freezing of assets of persons, institutions or organisations in foreign countries based on reasonable grounds that they have committed the acts within the scope of Article 3 and 4.

(2) MASAK shall prepare a research report based on the results of financial research which it has initiated ex officio or basing upon the information, documents and assessments conveyed within the scope of requests to be made on freezing of assets abroad. The research report shall then be presented to the Commission by MASAK.

(3) The Commission may decide to propose **to the President** to request freezing of assets of persons, institutions or organisations based on reasonable grounds that they have committed the acts within the scope of Article 3 and 4. The decision made by the Commission shall be recorded in a minute.

(4) The proposal of the Commission relating to the request for the freezing of assets abroad shall be immediately sent **to the Presidency** together with the research report.

(5) The letter of request prepared upon the decision **of the President** for freezing of asset in foreign countries shall be submitted to the Ministry of Foreign Affairs in order to be notified to the requested countries. In cases where **the President** rejects the proposal of the Commission, the situation shall be notified by MASAK to the Ministry of Foreign Affairs and the relevant requesting public institutions and organizations in accordance with the first paragraph.

The procedure regarding the asset in Turkey

ARTICLE 7 – (1) The requests for freezing of assets in Turkey of persons, institutions and organizations of whom there are reasonable grounds that they committed the acts within the scope of articles 3 and 4 of the Law after the courts had made a final decision that they are terror organizations shall be submitted to the Commission by MASAK.

(2) MASAK shall prepare research reports regarding the files in which the Commission finds out that there are reasonable grounds and submit the reports to the Commission.

(3) In cases where the Commission decides to recommend freezing of assets in Turkey with regard to the report received, it shall send the research report and the minutes of the decision to Minister of Treasury and Finance and Minister of Interior.

(4) In cases where the Minister of Treasury and Finance and Minister of Interior decide to freeze the assets of relevant persons based on the information they have been forwarded, the decision shall be published in the Official Gazette and be submitted by MASAK for approval of Ankara Heavy Criminal Court determined by the Council of Judges and Prosecutors within forty eight hours.

(5) In cases where the court decides to repeal the asset-freezing decision after examining the existence of reasonable grounds, the decision shall immediately be sent to MASAK. Upon receiving the decision, MASAK shall immediately forward it to the Presidency to be published in the Official Gazette and shall inform the Commission. Such decisions may be objected.

(6) MASAK shall make denunciation to the relevant Public Prosecutor's Office with a request for initiating an investigation into the subjects of the asset-freezing decision in accordance with the Criminal Procedure Law No.5271 dated 04/12/2004. The minute of the decision on the denunciation and the research report shall be submitted to the relevant Public Prosecutor's Office by MASAK

(7) The Assessment Commission shall assess whether reasonable grounds still exist in six month-periods at the latest from the date on which the decision on freezing of assets in Turkey is published in the Official Gazette and make a recommendation to the relevant ministers.

(8) A copy of the decision on non-prosecution as the result of the investigation carried out in connection with the denunciation made in accordance with the paragraph 6, or the indictment, the adjudication and the seizure decision given in accordance with the article 128 of the Criminal Procedure Code No.5271 in conjunction with Article 17 of Law No.5549 shall be sent to MASAK by relevant Public Prosecutor's Office and courts by the end of the following month in accordance with Article 18 of Law No.5549

(9) Requests by relevant persons for the repealing of freezing decisions shall be made to the Assessment Commission pursuant to Article 7 (6) of the Law. The Commission shall assess if the request is applicable and submit the results to Minister of Treasury and Finance and Minister of Interior. The rejected requests shall be forwarded to the Court for a decision to be made pursuant to paragraph (4) of this Regulation.

The research to be carried out and the report to be drawn up by MASAK

ARTICLE 8 – (1) The financial research to be carried out by MASAK in accordance with article 4/A to 7 of this Regulation shall include the actions for the detection of the assets of relevant persons, institutions and organizations based upon the information and documents obtained from its own database or databases accessed directly by MASAK or depending on the information and documents obtained from other public institutions and organizations and natural and legal persons.

(2) The research report to be presented to the Commission shall include information, documents and assessments conveyed to MASAK in accordance with Article 4/A(2), 5(2) and 6(1) of this Regulation, and the evaluations based on the financial researches carried out by MASAK and directed to detecting assets and revealing reasonable grounds for the

commission of the terrorist financing offence and the acts set forth in Article 3 and 4 of the Law for which providing or collecting funds are forbidden.

(3) During the financial research carried out within the scope of articles 4/A to 7 of the Regulation, MASAK may ask for information, document and records in any form from public institutions and organizations and natural and legal persons. The information requested from public institutions and organizations and natural and legal persons shall be submitted to MASAK without delay within the required procedure, form and duration.

(4) Personal data obtained in the researches and examinations under this article shall not be used for other purposes and the necessary measures for protection of the data shall be taken by MASAK.

Duties and Powers, and Working Principles and Procedures of the Commission

Composition of the Commission

ARTICLE 9 – (1) The Commission for the Assessment on Freezing of Asset shall be composed of a member assigned by MASAK, a member assigned by National Intelligence Agency, Deputy Minister of the Ministry of Interior, General Director of Penal Affairs of Ministry of Justice, General Director of the Research and Security Affairs of Ministry of Foreign Affairs, General Director of the Public Finance of Ministry of Treasury and Finance, and Head of Strategy Development of Ministry of Interior, under the chairmanship of the Head of MASAK. In absence of the chairman, a substitute chairman from MASAK assigned by the Minister of Treasury and Finance shall chair the Commission.

(2) Representatives from other institutions and organisations whose knowledge and opinions are required may also be invited to the Commission provided that they will not have voting rights

(3) The members of the Commission and the representatives invited in accordance with paragraph (2) shall be informed by MASAK before the meeting and they shall make necessary preparation pursuant to the meeting and invitation purposes.

(4) The members of the Commission are entitled and responsible for the implementation of the Law and this Regulation by their institutions.

(5) Secretariat services of the Commission shall be performed by MASAK.

Duties and Powers

ARTICLE 10 – (1) Duties and powers of the Commission are as follows:

a) to submit opinions and proposals to the President after making necessary assessments on;

1) Requests for adding or removing persons, institutions and organizations to or from UNSC lists specified in the Law,

2) Asset freezing requests made by foreign countries,

3) Whether the asset freezing decisions taken by the President upon the requests of foreign countries may be repealed or not

4) The requests of freezing of asset in foreign countries,

5) Whether the decisions on request of freezing of asset in foreign countries taken by the President may be repealed or not

b) to present opinion and proposals regarding freezing or unfreezing of assets in Turkey to the Minister of Treasury and Finance and Minister of Interior.

c) In the scope of the asset freezing requests to foreign countries, when necessary, to make denunciation on the relevant persons in connection with the asset in Turkey with the request of investigation under the Criminal Procedure Law No.5271.

Working procedures and quorum of the Commission

ARTICLE 11 – (1) The Commission is called for holding a meeting by chairman within the scope of Articles (5) to (7) of the Law when necessary. The chairman is assigned and entitled to hold the meetings and to ensure that the works are carried out efficiently and effectively

(2) The Commission shall gather with the participation of Chairman and members or in the absence of them, their duly assigned / (acting) representatives by the competent authority. Chairman and members cannot assign representatives in place of themselves while they are in office

(3) The matters assessed by the Commission shall be recorded in minutes.

(4) The Commission shall make a decision with at least five votes of all the members. The members cannot use abstaining vote.

(5) The works of the Commission under this Article shall be carried out in accordance with confidentiality principles.

CHAPTER FOUR

Principles and Procedures for Execution of the Decisions of Freezing of Assets

Content, notification and announcement of the decision

ARTICLE 12 – (1) The decisions on freezing of asset and their repeal under Article (5) to (7) of the Law shall be conveyed to MASAK for their execution and published in the Official Gazette. These decisions shall be deemed notified to the relevant person, institution or organization about whom the decision on freezing of asset has been made upon their publication in the Official Gazette. Also, for their information, the decisions shall be sent to one of available addresses in the official records of the persons, institutions or organizations in Turkey of whom asset freezing decision was made.

(2) A decision on freezing of asset shall contain the identity of the person about whom the decision was made, reasons, scope, and duration respect of the decision and legal remedies that can be applied against this decision and duration of application.

(3) A decision on freezing of asset shall contain the followings;

a) The distinctive identity information of the person, institution or organization about whom the decision was made (T.R. Identity no, passport no, tax identity no or other similar information),

b) Interpretative information about the reasons that the decision is based on,

c) A statement that in cases where the decision on freezing of asset is made under the requests of foreign countries, it may be repealed if an investigation is not initiated by requesting country within one year.

Legal Consequences of Decision on Freezing of Asset and Violation of the Decision on Freezing of Asset

ARTICLE 13 – (1) The decision on freezing of asset and the decision repealing it shall gain legal validity upon their publication in the Official Gazette

(2) As from the publication date of the decision in the Official Gazette, any kind of actions for obliteration, consumption, conversion, transfer, assignment, conveyance and other dispositional actions of the asset carried out contrary to the decision shall be null and void. Regarding such acts, provisions of Turkish Civil Code No.4721 dated 22/11/2001 on protection of rights of bona fide third parties shall be reserved.

Execution of Decisions on Freezing of Asset

ARTICLE 14 – (1) MASAK is responsible for the execution of the decision on freezing of asset made in accordance with the provisions of the Law. In this framework, MASAK shall notify the decisions to the following agents immediately through appropriate technical means of communication:

a) The General Directorate of Land Registry with the request of taking a note in the land register in order to enable freezing of immovables

b) The relevant units of the Ministry of Transport and Infrastructure and the Ministry of Interior and General Directorate of Civil Aviation with the request of taking a note in the registers of means of land, sea and airspace transportation in order to enable their freezing

c) The relevant banks or other financial institutions in order to enable freezing of any kinds of accounts, rights and claims,,

ç) The relevant company and Trade Registry Directorate in which the company is registered and the Ministry of Trade in order to enable freezing of partnership shares in the company,

d) Central Securites Depository to enable freezing of capital market instruments monitored in dematerialized form

e) Natural and legal persons, and public institutions and organizations to whom notification is deemed necessary by MASAK,

(2) If the persons, institutions and organizations stated in paragraph (1) keep any asset records, they shall take necessary actions and provide MASAK with information on the frozen assets within seven days following the date of notification.

(3) Apart from the agents stated in paragraph (1), institutions and organizations, and natural and legal persons who keep asset records or hold assets of those for whom asset freezing decision was taken shall take necessary actions to freeze the asset without delay as from becoming aware of the decision and shall inform MASAK within seven days.

(4) MASAK shall urgently notify the repealing decisions to the persons, organisations and institutions which implement the freezing decision in accordance with paragraph (1) and (3).

(5) The persons, organisations and institutions for whom a decision on freezing asset was taken shall be listed in MASAK website. In the case of repealing the decision, these persons, organisations and institutions shall be delisted.

(6) The unfreezing request related to misapplied asset-freezing decisions due to name similarity, false or missing identity information and similar grounds shall be made to MASAK in writing with the justification by annexing relevant documents, if any. In cases where MASAK approves the request, unfreezing shall be applied by notifying institutions and organizations, and natural and legal persons stated in this Article without delay

(7) Those about whom decision on freezing of asset has been made shall inform MASAK of the claims or debts and all other asset values and the information and documents regarding their grounds; and natural and legal persons who are in claim or debt relationship with those

about whom decision on freezing of asset has been made shall inform MASAK of the amount of the claim or debt and the information regarding their grounds, within thirty days at the latest following the publication date of the decision on freezing of asset in the Official Gazette

(8) Natural and legal persons and, public institutions and organizations who are sent an injunction to implement decision on freezing of asset, except the operations listed in paragraph (2) and (3) of the Article 13 of the Law, shall not provide and facilitate obliteration, consumption, conversion, transfer, assignment, conveyance and other dispositional actions of the asset.

(9) In cases where an increase occurs in the amount of the asset, such increases shall also be subject to the provisions on the freezing of asset

(10) For the purpose of implementing this Article, secure electronic systems may be set up in order to enable MASAK notify relevant persons, institutions and organizations, and receive feedback from them. Principles and procedures for notification shall be determined by MASAK. their freezing,

Management of the Frozen Asset

ARTICLE 15 – (1) The frozen asset shall be managed in the framework of the procedure in this Article in accordance with permission of MASAK provided that its possession remains on the natural or legal person whose assets have been frozen

(2) Those about whom decision on freezing of asset has been made shall not take any action for obliteration, consumption, conversion, transfer, assignment, conveyance and other dispositional actions of the asset, except for the actions allowed by MASAK.

(3) The following actions may be carried out under the permission of MASAK for the purpose of ensuring the subsistence of the person about whom a decision on freezing of asset has been made and of the relatives of whom he/she is obliged to take care, or continuance of operations of the business enterprises and other legal persons about whom a decision on freezing of asset has been made:

a) Establishment of absolute or personal rights on immovables, and on movables such as transportation vehicles of land, sea and air in favour of other persons,

b) Wielding of disposition power on accounts at banks or other financial institutions,

c) Wielding of disposition power on all kinds of rights and claims within natural or legal persons,

ç) Wielding of disposition power on negotiable instruments,

d) Wielding of disposition power on shares at companies,

e) Wielding of disposition power on the content of safe-deposit boxes,

f) Making obligatory payments of business corporations or other legal persons such as purchase and sale of goods and services, operation, maintenance and repair expenses, debts registered in their books and documents, rent, credit, custody service, insurance premium, advocacy fees and wages.

(4) All obligatory payments such as taxes, levies, duties, rents, social security premiums to be made from the frozen asset to public institutions or quasi-public corporations can be made without permission. The persons, institutions or organizations whose assets have been frozen shall make obligatory payments only through bank accounts in the framework of the

procedure stated in this article. However, MASAK may subject also obligatory payments to permission if it deems necessary.

(5) Permission for the frozen asset may be granted to the designated person or persons for only once or for a period of time under certain conditions or limitations. MASAK may change, where it deems necessary, the scope or time period of the permission or cancel it.

(6) By MASAK;

a) For the permission to be given by MASAK to natural persons, a document entitling annual allowance for the amount that is fixed by MASAK for the purpose of ensuring the subsistence of the person about whom a decision on freezing of asset has been made and of the relatives of whom he/she is obliged to take care shall be issued.

b) For the permission to be given by MASAK to sole proprietorship, business enterprises, legal persons and unincorporated institutions and organizations to make obligatory payments such as purchase and sale of goods and services, operation, maintenance and repair expenses, debts registered in their books and documents, rent, credit, custody service, insurance premium, advocacy fees and wages to ensure continuance of their operations, a permission document incorporating the amount and period of expenditure may be issued for enabling the exercise of disposition power stated in sub-paragraphs (b), (c) and (ç) of Paragraph 3. However, for enabling the exercise of the disposition power stated in sub-paragraphs (a), (d) and (e) of Paragraph 3, a permission document for each transaction concerned shall be issued when conducting such a transaction.

c) In the event that wielding power of disposition on the content of the safe deposit box is granted, the safe deposit box shall be opened before the person, whose asset was frozen, accompanied by a bank official and a person assigned by MASAK. The content of the box shall be recorded in a minute. The amount which will be given to the person under the permission of MASAK from the asset in the safe deposit box shall be taken and the rest of the content shall be kept in the box. The content of the safe deposit box and the amount taken shall be recorded in a minute, signed by the parties and conveyed to MASAK.

(7) Sole proprietorships, commercial companies, legal persons and unincorporated institutions and organizations shall notify MASAK the transactions they have conducted within the scope of the permission, and financial statements, information and documents requested by MASAK within the determined form, scope and time frame.

(8) MASAK, when granting permission to persons, institutions and organizations about whom an asset-freezing decision is made within the scope Article 5 of the Law, shall also heed the permission and notification procedures arranged in UNSC Resolutions 1267 (1999), 1988 (2011) and 1989 (2011) and their successor Resolutions. Notifications and applications to be made in this scope shall be sent by MASAK to Ministry of Foreign Affairs so as to be conveyed to United Nations Security Council.

(9) Allowance documents issued within the scope of this Article shall be notified by MASAK to relevant natural and legal persons, and public institutions or organizations. This notification may be made through secure electronic systems.

(10) In case that permission is granted for the establishment of right in personam or in rem on immovables, and on movables such as transportation vehicles of land, sea and air in favour of other persons;

a) a copy of the contract,

b) the information about the amount of money and value of other kinds of properties which have to be paid as requital in accordance with the contract, and the payment schedule and the bank account to which the payment is to be made

shall be submitted by those who have been granted permission to MASAK within fifteen days following the date of the establishment of the right

(11) After the decision on freezing has been published in the Official Gazette, any payment to those about whom decision on freezing of asset has been taken shall be made only into their bank account. If the person whose asset is frozen does not have an account in a bank whose head office or branch is in Turkey, an account shall be opened by MASAK on behalf of that person.

(12) Natural and legal persons who, under Article 12(3) of the Law, notify that they owe to those about whom decision on freezing of asset has been made shall make the payment to this account, when due. Persons, institutions or organizations whose assets have been frozen shall also pay their debts through bank accounts up to the permitted extend under this Article.

(13) Decision of freezing of assets shall not impede the implementation of Article 6 of the Law 7082 of 6/2/2018 on the Approval of the Decree Law Regarding Taking Certain Measures Under the Scope of the State of Emergency; Articles 19 and 20 of the Law No. 6758 of 10/11/2016 on the Approval of the Decree Law Regarding Taking Certain Measures Under the Scope of the State of Emergency with Amendments; and Articles 128(9), 128(10) and 133 of the Criminal Procedure Law.

(14) Copies of decisions regarding freezing of assets taken under paragraph thirteen and decisions for repealing them shall be sent to MASAK by relevant Public Prosecutor's Offices and courts.

Duties and Powers of MASAK

Article 16-(1) Duties and Powers of MASAK within the scope the Law are follows:

a) submitting information on persons, institutions or organizations listed and delisted under UNSC resolutions to **President**,

b) notifying the decisions made by **President** pursuant to UNSC Resolutions and applications against those decisions to Ministry of Foreign Affairs so as to be conveyed to United Nations Security Council,

c) conducting necessary financial research related to freezing of assets within the scope of implementing Articles 6 and 7 of the Law and submitting research results to the Commission,

ç) requesting information from public institutions and organizations and natural and legal persons within the scope of financial research,

d) requesting information, documents and opinions from The Ministry of Justice, the Ministry of Interior, the Ministry of Foreign Affairs, the Undersecretariat of National Intelligence Organisation, the Undersecretariat of Treasury and other relevant public institutions and organizations with regard to decisions and requests regarding freezing of asset within the scope of implementation of Articles 6 and 7,

e) approving requests made within the scope of paragraph 6 of the Article 14 of this Regulation and unfreezing by notifying institutions and organizations, and natural and legal persons,

f) correcting the misapplications that may occur during the implementation of the **decisions of freezing of assets and decisions for repealing them.**

g) sending injunctions to natural and legal persons and public institutions and organizations who hold asset records, to implement the freezing action

ğ) listing persons, institutions or organizations about whom decision on freezing of assets has been made on MASAK **or on the examiners' institutions'** website and de-listing them if the decisions are repealed.

h) Dondurulan malvarlığının yönetimine ilişkin olarak, Kanunun 13 üncü maddesinin ikinci ve üçüncü fıkralarında belirtilen işlemlerin yapılmasına izin vermek.

ı) Notifying the repealing decisions to relevant person, institution or organization implementing the freezing decision,

i) Controlling whether the natural and legal persons and public organizations and institutions who hold asset records comply with the freezing decision and whether the frozen asset is managed in conformity with the provisions of the law, and drawing up guidance in this regard,

j) publishing guidance and implementation manuals, organizing trainings, workshops, panels and seminars in order to ensure that natural and legal persons and public organizations and institutions who hold asset records implement asset freezing decisions effectively and thoroughly,

k) opening an account within a bank operating in Turkey for any payment to be made to persons, institutions or organizations on whom asset-freezing decision has been made and who do not have an account within a bank in Turkey,

l) performing the Secretariat services of the Commission.

Retaining and Submitting

Article 17- (1) Those whose assets have been frozen, and natural and legal persons who make notification on the implementation of the asset freezing decision shall retain documents and books and records kept in any form, related to actions within the scope of Articles 14 and 15 for eight years as from date of issue and the last record date respectively and submit them to authorities, when requested.

CHAPTER FIVE

Control

Scope of the Control

Article 18- (1) Whether persons or institutions within which frozen assets are held act in compliance with the decision of freezing and whether those concerned manage the frozen asset in compliance with Law shall be controlled by MASAK through conducting, when necessary, research and examinations on relevant books, documents and records. MASAK shall perform the duty of control through examiners and finance experts.

(2) Control to be conducted by MASAK shall include:

a) Controlling whether persons, institutions or organizations whose assets have been frozen act in compliance with the provisions of the Law and this regulation,

b) Controlling notifications made to MASAK under Article 15(7) of this Regulation,

c) Controlling whether persons, institutions and organizations within which frozen assets are held act in compliance with the provisions of the Law and this regulation.

(3) These controls shall be initiated upon denunciation and complaint or spontaneously

(4) MASAK has the power to determine the scope and other principles and procedures of control and issue guidances in this scope.

(5) Persons, institutions and organizations being controlled shall provide any necessary cooperation during the control, including provision of an appropriate working environment for examiners and finance experts.

(6) Governors, law enforcement officers and other public institutions and organizations, if deemed necessary during the control, shall provide any cooperation and lend any assistance within their capacity upon the request of MASAK **or those who are assigned for the control.**

Assignments for Control

Article 19- (1) Upon request made by the Head of MASAK, examiners shall be assigned for conducting controls through the proposal of the chief of relevant unit and approval of their Minister. Assignment shall be performed within seven days at the latest as from the date of request. The unit receiving such a request shall be bound to fulfill the request.

(2) Finance experts, and examiners already appointed temporarily to MASAK shall be assigned by the Head of MASAK for control. Additional approval procedure shall not be sought for examiners assigned temporarily.

(3) Those assigned for control shall take office within seven days at the latest as from date on which MASAK's assignment letter has been received and notify the date of taking office to MASAK.

(4) Those assigned for control shall conclude additional issues conveyed by MASAK due to being linked to their assignment, under the former approval without seeking a new one.

(5) MASAK may establish a team consisting of finance experts and examiners if it deems necessary. MASAK may appoint a coordinator for the team. The coordinator shall be authorized and responsible for planning, conducting and timely concluding the team work and preparing a joint report.

(6) void (Official Gazette 26/2/2021 – 31407)

(7) Those assigned for control shall be paid, by the approval of MASAK, an additional monthly wage not exceeding the amount calculated by multiplying the benchmark of 7.000 and the monthly wage coefficient of public officials, reserving the provisions of the Law No.6245 on Travel Expense dated 10/2/1954.

Control reports and the procedure to be applied upon reports

Article 20- (1) Findings obtained in the controls shall be included in a report and be presented to MASAK.

(2) Reports presented shall be assessed by MASAK in terms of its conformity to the report standards and whether there is any legal or material error. MASAK shall take necessary actions according to the results of the assessment. **The assignment shall terminate on the date on which MASAK decides to put the report into action, and it shall be notified to the examiner through the unit to which he/she is attached.**

(3) The control reports incorporating the detections related to Article 15 of the Law shall be sent by MASAK to authorized Chief Public Prosecutor's Office. Pursuance of the control reports by Chief Public Prosecutor's Offices, and litigation and other procedural actions shall be carried out under Decree Law No. 178 of 13/12/1983 and Decree Law No. 659 of 26/9/2011.

Reporting Terrorist Financing Offence

Article 21- (1) In cases where those assigned for control encounter the commission of terrorist financing offence or suspect of such a case, they shall immediately report the case to MASAK in writing.

Penal Provisions

Article 22- (1) MASAK is authorized to rule on administrative fine according to the provisions of the paragraph (2) of the Article 15 of the Law.

CHAPTER SIX

Provisional Articles and Final Provisions

Request for intervening in the case

Article 23- (1) MASAK may request for intervention in public cases opened due to the offences set forth by the Law.

Provisions to be applied

Article 24- (1) In cases where there is not any provision in the Regulation, provisions of the Regulations issued in accordance with the Law No. 5549 which do not contradict with this Regulation shall be applied.

Enforcement of Former Decisions

PROVISIONAL ARTICLE 1- (1) This Regulation shall also be applicable for the enforcement of decisions on freezing of asset which have been made by the Council of Ministers before the date of entering into force of the Law.

Enforcement of Former UNSC Designations

PROVISIONAL ARTICLE 2- (1) The information conveyed by the Ministry of Foreign Affairs of the persons, institutions or organizations designated under the Resolutions 1267 (1999), 1988 (2011), 1989 (2011) of UNSC but of whom a decision of Council of Ministers was not made as of the date when the Law comes into force shall be submitted to the Prime Ministry by MASAK to make decisions on freezing of asset. The decision of the Council of Ministers published in the Official Gazette shall be executed without delay.

Enforcement

Article 25- (1) This Regulation shall enter into force on the date of its publication

Execution

Article 26- (1) The Ministers of **Treasury and Finance**, Justice, Foreign Affairs and Interior shall jointly execute the provisions of this regulation.