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(MASAK)

***Customer Due Diligence by Financial
Institutions as a Key Prevention Instrument:
Turkey's Implementation***

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Introduction

As the FIU of Turkey, MASAK (Financial Crimes Investigation Board) is the primary authority on the framework of ML and TF and plays a major role in both the implementation and the supervision of the AML / CFT regulations. With the Law No 4208 On Prevention of Money Laundering which was issued on 19.11.1996, MASAK commenced its work on combating money laundering and determined the customer due diligence as one of the key areas which had to be strengthened. As of 2012 the context of Customer Due Diligence is regulated via a wide set of law, regulation and communiqué articles, which among others include The Law on Prevention of Laundering Proceeds of Crime, Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism and General Communiqué No 6. These highly detailed and far-reaching set of rules touch upon the very heart of the matter, the fight against money laundering and terrorist financing. The degree of the importance of the matter can also be deducted from the fact that in the eyes of the FATF (Financial Action Task Force), which is the primary regulatory body on the issue, the CDD issue merits to be designated as one of the six core recommendations.

This paper will try to give an introduction to the requirements of CDD in Turkey, such as the collection of various information about the customer who conducts various transactions and the verification of those information, in a very condensed manner.

1. The scope of CDD

In general, customer due diligence (CDD) measures refer to a general set of rules applied by the financial institutions and other designated parties in order to identify and verify the information about the customer both on the phase of the transaction and during the continuity of the business relationship in order to prevent the misuse of the financial system for money laundering and terrorist financing purposes and to provide evidence and intelligence for the before mentioned cases.

In our legislation, CDD is a legal provision retained in the principal law, The Law on Prevention of Laundering Proceeds of Crime, whereas the detailed provisions lay on the Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism. Although the core of the CDD is mainly constituted by customer identification and its verification, it has many other aspects. The regulations on specific issues such as controlling the authenticity of the documents, beneficial owner, paying special attention to complex and unusual transactions, obtaining information on the intended nature and purpose of the business relationship, the transactions carried out for the benefit of other persons and establishing compliance programmes are also a part of the CDD framework.

CDD plays a key role in the fight against money laundering (ML) and terrorist financing (TF) and therefore is one of the core recommendations of the Financial Action Task Force (FATF).

2. Types of financial institutions subject to CDD requirements

The obliged parties in general are defined in Article 2 (1) (d) of the Law no 5549¹, but Article 3(1)(f) and 4(1)(a)-(h) of RoM² defines financial institutions in Turkey more specifically as:

- Banks
- Institutions other than banks who have the authority to issue bank cards or credit cards
- Authorized exchange offices given in legislation on foreign exchange
- Money lenders, financing and factoring companies within the scope of legislation on money lending
- Capital Markets Brokerage Houses, Futures Brokerages and portfolio management companies
- Investment Fund managers
- Investment partnerships
- Insurance, reinsurance and pension companies, and insurance and reinsurance brokers
- Financial leasing companies
- Institutions furnishing settlement and custody services within the framework of capital markets legislation

3. When to apply CDD measures

Financial institutions are required to identify their customers or those who act on behalf or for the benefit of their customers *by receiving their identification information and verifying it*³

¹ Prevention of Laundering Proceeds of Crime Law
(<http://www.masak.gov.tr/media/portals/masak2/files/en/Legislation/Laws/5549.htm>)

² Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism
(<http://www.masak.gov.tr/media/portals/masak2/files/en/Legislation/Regulations/measures.htm>)

- a) When establishing permanent business relationships;
- b) When the amount of a single transaction or the total amount of multiple linked transactions is equal to or more than twenty thousand TL⁴;
- c) When the amount of a single transaction or the total amount of multiple linked transactions is equal to or more than two thousand TL⁵ in wire transfers;
- d) In cases requiring STR;
- e) In cases where there is suspicion about the adequacy and the accuracy of previously acquired identification information.

Customer identification is to be completed before the business relationship is established or the transaction is conducted.

a) Permanent business relationship⁶

Permanent business relationship is defined as a business relationship that is established between obliged parties and their customers through services such as opening an account, lending loan, issuing credit cards, safe-deposit boxes, financing, factoring or financial leasing, life insurance and individual pension, and that is permanent due to its characteristics. When establishing permanent business relationship, financial institutions are also required to collect information about the purpose and intended nature of the business relationship.

b) Transaction(s) value exceeding twenty thousand TL⁷

Financial institutions are required to conduct CDD measures in case a single transaction or the total amount of multiple linked transactions is equal to or more than twenty thousand TL. (For more information please see Section 5.b)

c) Wire transfer transaction(s) exceeding two thousand TL^{8 9}

Originator information, including its name, address and account number is to be contained in both cross border and domestic wire transfer messages which amount to two thousand TL or more. (For more information please see Section 5.a)

d) Cases requiring suspicious transaction reporting¹⁰

Financial institutions are required to send an STR to MASAK regardless of the amount, where there is any information, suspicion or reasonable grounds to suspect that the asset, which is subject to the transactions carried out or attempted to be carried out within or through the obliged parties, has been acquired through illegal ways or used for illegal purposes and is used, in this scope, for terrorist activities or by terrorist organizations, terrorists or those who

³ (RoM, Article 5)

⁴ (As 18.01.2012 an equivalent of 10.921-USD)

⁵ (As 18.01.2012 an equivalent of 1.092-USD)

⁶ (RoM, Article 3(1)(i))

⁷ (As 18.01.2012 an equivalent of 10.921-USD)

⁸ (RoM, Article 24)

⁹ (As 18.01.2012 an equivalent of 1.092-USD)

¹⁰ (RoM, Article 27)

finance terrorism¹¹. Multiple transactions are also taken into consideration together in order to determine whether there is suspicion or a reasonable ground to suspect.

e) Suspicion about the adequacy and the accuracy of previously acquired identification information¹²

Financial institutions are required to verify the authenticity of documents as much as possible by applying to person or institution arranging the document or to other competent authorities in cases where they suspect the authenticity of documents used for the verification of the information recorded within the customer identification and its verification requirements.

Financial institutions are also required to identify and verify their customers in cases where there is suspicion about the adequacy and the accuracy of previously acquired identification information. Due to Article 22(1)(2) of the RoM in cases where this cannot be carried out, the business relationship has to be terminated.

4. Customer identification according to customer types

a) Natural persons¹³

For any natural person the following information is required:

- Name, surname
- Place and date of birth
- Nationality
- Type and number of the identity card
- Address
- Sample of signature
- Telephone number
- Fax number
- E-mail (if any)
- Information on job and profession
- The names of mother and father and T.R. identity number (for Turkish citizens)

Verification of the ID for Turkish citizens is conducted via T.R. identity card, T.R. driving license or passport; whereas for non-Turkish citizens it is conducted via passport, certificate of residence or any type of identity card considered proper by the Ministry.

Either a legible photocopy/electronic image has to be received or the information regarding the identity has to be recorded in order for submittal upon request of authorities.

Verification of the address is conducted via a certificate of residence, utility bill drawn up within the previous three months from the date of transaction for a service requiring

¹¹ For more information about the types of STRs please see <http://www.masak.gov.tr/media/portals/masak2/files/en/Legislation/Communiques/communique6.htm>

¹² (RoM, Article 15)

¹³ (RoM, Article 6)

subscription such as electricity, water, natural gas, telephone, any document issued by a public institution or through other documents or methods approved by MASAK.

b) Persons other than a natural person

For any person other than a natural person the following information regarding the person authorized to represent the legal persons or other arrangements is required:

- Name
- Surname
- Place and date of birth
- Nationality
- Type and number of the identity card
- Sample signature of the person authorized to represent the legal person
- The names of mother and father and T.R. identity number (for Turkish citizens)

The verification of the persons authorized to represent the legal persons or other arrangements is identical with the process required for the natural persons.

i. Legal persons registered to trade registry¹⁴

For any legal persons registered to trade registry the following information is required:

- Title of the legal person
- Trade registry number
- Tax identity number
- Field of activity
- Full address
- Telephone number
- Fax number
- E-mail (if any)

The title of the legal person, its trade registry number, field of activity, full address is verified through documents of registration to the trade registry; its tax identity number is verified through documents drawn up by the related unit of Revenue Administration.

The authority of the person to represent the legal person is verified through documents of registration.

Either a legible photocopy/electronic image has to be received or the information regarding the identity has to be recorded in order for submittal upon request of authorities.

In establishing permanent business relationship, financial institutions are required to verify through consulting records kept by the related trade registry office or the database of Turkish

¹⁴ (RoM, Article 7)

Union of Chambers and Commodity Exchanges that the information given in registration documents submitted to them are up-to-date and correct.

In case of a request of transaction, within the scope of an existing permanent business relationship, on behalf of the legal person by a written instruction of the person authorized to represent the legal person, the authenticity of the identification information of the person authorized to represent the company may be verified through a notarized signature circular comprising the information in identity cards provided that there is no doubt that the instruction is from the representative of the company.

ii. Associations¹⁵

For any association the following information is required:

- Name of the association,
- Its aim,
- Log number,
- Full address,
- Telephone number,
- Fax number and
- E-mail (if any)

The name, aim, log number and full address of the association is verified through the charter of the association and documents of registry in the associations' log and the authority to represent is verified through documents of authorization to represent.

iii. Trade unions and confederations¹⁶

For any trade union and confederation the following information is required:

- Name of the organization
- Its aim
- Registry number
- Full address
- Telephone number
- Fax number
- E-mail (if any)

The information gathered is verified through charter of these organizations and the records kept by local directorates of Ministry of Labor and Social Security and the authority to represent is verified through documents of registration or documents of authorization to represent.

Either a legible photocopy/electronic image has to be received or the information regarding the identity has to be recorded in order for submittal upon request of authorities.

¹⁵ (RoM, Article 8)

¹⁶ (RoM, Article 9)

iv. Foundations¹⁷

For any foundation the following information is required:

- The name of the foundation,
- Its aim,
- Central registry record number,
- Full address,
- Telephone number,
- Fax number and
- E-mail (if any)

Name, central registry record number, full address of the foundation is verified through foundation deed and records kept by the General Directorate of Foundations and the authority to represent is verified through documents of authorization to represent.

Either a legible photocopy/electronic image has to be received or the information regarding the identity has to be recorded in order for submittal upon request of authorities.

v. Political parties¹⁸

For any political party following information is required:

- The name of the relevant unit of the political party,
- Its full address,
- Telephone number,
- Fax number and
- E-mail (if any)

Name and address of the relevant unit of the political party is verified through their charter and the authority to represent is verified through documents of authorization to represent.

Either a legible photocopy/electronic image has to be received or the information regarding the identity has to be recorded in order for submittal upon request of authorities.

vi. Non-resident legal persons¹⁹

For non resident legal persons, notarized Turkish translation of copies of the documents approved by the consulates of the Republic of Turkey corresponding to the documents in related country required for legal persons residing in Turkey and/or through notarized Turkish translation of copies of the documents attached apostille by an authority of the country which is a party to the “Convention on Abolishing the Requirement of Legislation for Foreign Public Documents is required.

¹⁷ (RoM, Article 8)

¹⁸ (RoM, Article 10)

¹⁹ (RoM, Article 11)

vii. Unincorporated organizations (e.g. building, housing estate or office block management)²⁰

For any unincorporated organization such as building, housing estate or office block management the following information is required:

- The name of the organization,
- Its full address,
- Telephone number,
- fax number and
- E-mail (if any)

The organization information and the authorization of the person acting on behalf of the organization is verified through notarized docket.

viii. Unincorporated joint venture²¹

For any unincorporated joint venture the following information is required:

- The name of the joint venture,
- Its aim,
- Its full address,
- Telephone number,
- And fax number and
- E-mail (if any)

Information indicating the name, aim, activity field and the address of the partnership is verified through notarized partnership agreement, tax identification number is verified through the certificates drawn up by the relevant unit of Revenue Administration and authorization is verified through the documents indicating the authority to represent.

Either a legible photocopy/electronic image has to be received or the information regarding the identity has to be recorded in order for submittal upon request of authorities.

ix. Public institutions²²

The person making transactions on behalf of these bodies is identified according to the requirements applicable to natural persons and the authorization is verified through the certificate of authority arranged in accordance with the legislation.

x. A person acting on behalf of other(s)²³

- In the event that a transaction is requested on behalf of legal persons or unincorporated organizations by persons who are given the authority by the persons authorized to represent;

²⁰ (RoM, Article 12)

²¹ (RoM, Article 12)

²² (RoM, Article 13)

²³ (RoM, Article 14)

a) Customer identification of legal persons and unincorporated organizations is carried out in accordance with appropriate customer requirements.

b) Customer identification of persons authorized to represent legal persons or unincorporated organizations and the persons who are given the authority by persons authorized to represent is carried out in accordance with measures related to natural persons. In cases where the customer identification of the person authorized to represent cannot be carried out through these documents, the customer identification is carried out through power of attorney or circular of signature provided that they contain the information specified in identity documents and that they are notarized.

c) Authorization of persons who are given the authority by the persons authorized to represent is verified through notarized proxy or a written instruction of persons authorized to represent. The signatures on the written instruction of persons authorized to represent are verified through their signatures on the notarized circular of signature.

- In the event that transactions are made by another person on behalf of a customer that is natural person, customer identification of the person acting on behalf of the customer is carried out in accordance with measures related to natural persons. Besides, authorization of the person acting on behalf of the customer is verified through the notarized power of attorney. In cases where identification of the customer on behalf of whom the act is carried out cannot be conducted in accordance with measures related to natural persons, it is then conducted through the notarized power of attorney. In the event that the identification of the customer on behalf of whom the act is carried out has already been made due to previous transactions, the requested transaction can be conducted through the written instruction of the customer on behalf of whom the act is carried out provided that the customer's signature on the written instruction is verified through his/her signature which is already available to the obliged party.

- In transactions carried out on behalf of minors and persons under legal disability by their legal representatives, the authority of those appointed as guardian by court decision, curators and trustees are verified through the original or notarized copy of the relevant court decision. In the event that fathers and mothers request a transaction on behalf of their minor child, it is sufficient to identify the child on behalf of whom the transaction is requested and the parent requesting the transaction through measures related to natural persons.

Either a legible photocopy/electronic image has to be received or the information regarding the identity has to be recorded in order for submittal upon request of authorities.

5. Customer identification according to the transaction types

a) Wire transfers²⁴

The following originator information which is also to be contained in the wire transfer messages is required for cross border and domestic wire transfer transactions which amount to two thousand TL²⁵ or more;

- Name and surname,
- Title of the legal person registered to trade registry
- Full name of the other legal persons and unincorporated organizations;

²⁴ (RoM, Article 24)

²⁵ (As 18.01.2012 an equivalent of 1.092-USD)

- Account number or reference number of the transaction where no account number exists;
- Address or place and date of birth and at least one of the numbers such as customer number
- TR-ID number, passport number,
- Tax ID number for identifying the originator;

The transfers carried out between the banks on behalf of themselves or for their own benefit and provided that card numbers are included in the messages the transfers carried out by using credit or bank cards are not in the scope of this requirement.

If a financial institution receives a wire transfer message not including the required information, either it shall return the wire transfer message or it shall complete short-coming information through the financial institution which has sent the message.

If messages sent always include short-coming information and they are not completed although they are requested, either the wire transfers received from originating financial institution may be refused or transactions carried out with related financial institution may be restricted or business relationship with related financial institution may be ceased.

b) Transactions exceeding the threshold

When the amount of a single transaction or the total amount of multiple linked transactions is equal to or more than twenty thousand TL²⁶, financial institutions have to conduct CDD and collect and verify the information appropriate to the profile of the customer (e.g. natural person, representative of a public institution)

6. Obligation of controlling the authenticity of documents²⁷

Financial institutions are required to verify the authenticity of the required documents as much as possible by applying to person or institution arranging the document or to other competent authorities in cases where they suspect of the authenticity of documents used for the verification of the information recorded within the scope CDD.

7. Reliance on a 3rd party²⁸

Excluding the cases where the third party is resident in a risky country, financial institutions can establish business relationships or carry out transactions by relying on measures taken related to the customer by another financial institution on identification of the customer, the person acting on behalf of customer and the beneficial owner, and on obtaining of information on the purpose of business relationship or transaction. In such a circumstance, the ultimate responsibility remains with the financial institution carrying out transaction by relying on the third party.

Reliance on third parties is subject to the conditions that:

- a) the third parties have taken other measures which will meet the requirements of customer identification, record keeping and the principles of “customer due diligence”, and are also

²⁶ (As 18.01.2012 an equivalent of 10.921-USD)

²⁷ (RoM, Article 15)

²⁸ (RoM Article 21)

subject to regulations and inspection in combating money laundering and terrorist financing in accordance with international standards if the third parties are resident abroad,

b) The certified copies of documents relating to customer identification are immediately provided from the third party when requested.

The financial institution which establishes a business relationship or conducts a transaction by relying on a third party is required to immediately receive the identity data of the customer from the third party.

Transactions which the financial institutions conduct between themselves on behalf of customers and relationships between financial institution and its agents, similar units or outsourcing entities do not fall in to the category of “reliance on third parties”.

8. Ongoing CDD Measures

a) Customer identification in subsequent transactions²⁹

In subsequent transactions conducted in the scope of permanent business relationship of those who were duly identified formerly, identity data is received and compared with the data already available to obliged parties. In the event that there is suspicion on the authenticity of the data received, the authenticity of these data is verified after the submission of identity documents which are subject to verification or of their notarized copies through comparing the data stated on these documents with the data already available to obliged parties.

b) Monitoring the customer profile and the transactions³⁰

Financial institutions are required to continuously follow up whether the transactions conducted by their customers are in compliance with the information regarding the customer’s profession, commercial activities, business history, financial status, risk profile and sources of funds within the scope of permanent business relationships and keep up-to-date information, documents and records regarding the customer. If necessary the accuracy of information regarding the telephone and fax number and e-mail address of customers received for customer identification is verified within the scope of risk-based approach using these means by contacting with the relevant person. Financial institutions are also required to take the necessary measures in order to follow up the transactions conducted out of permanent business relationship in risk-based approach with appropriate risk-management systems.

9. Enhanced CDD Measures

a) Recognition of beneficial owners and paying special attention to legal persons³¹

Financial institutions are required to take necessary measures in order to detect whether action is carried out for the benefit of another person and to identify the beneficial owner of the transaction. Within this scope, financial institutions are required to put up notices in workplaces where they run service in a way that all customers can easily see in order to remind the persons, who act in their own name but for the benefit of others, of their responsibilities. Financial institutions are also required to receive, in the establishment of permanent business relationship, the written declaration of the customer indicating whether the act is carried out for the benefit of someone else.

²⁹ (RoM, Article 16)

³⁰ (RoM, Article 19)

³¹ (RoM, Article 17)

In cases where the person requesting the transaction declares that he/she is acting for the benefit of someone else, the identity and the authority of the person requesting the transaction and the identity of the person for the benefit of whom the transaction is conducted are identified according to the appropriate customer profile.

In the establishment of permanent business relationship with legal persons registered to trade registry financial institutions are required to identify the natural and legal person partners holding more than 25% of the legal person shares and to take necessary measures to obtain accurate information regarding the persons ultimately managing, or having the control or ownership of the legal person which is their customer within the scope of a permanent business relationship. In cases where there is a suspicion that the person is acting in his/her own name but for the benefit of someone else although he/she has declared that he/she is not acting for the benefit of someone else, the financial institution will carry out reasonable inquiry in order to reveal the beneficial owner.

b) Transactions requiring special attention³²

Financial institutions are required to pay special attention to complex and unusual large transactions and the ones which have no apparent reasonable legitimate and economic purpose, to take necessary measures in order to obtain adequate information on the purpose of the requested transaction, and to keep the information, documents and records obtained in this scope in order for submittal upon request of authorities.

c) Technological risks³³

Financial institutions are required to pay special attention to the risk of using facilities introduced by new and developing technologies for money laundering and terrorist financing and to take appropriate measures for its prevention.

Financial institutions are also required to take appropriate and effective measures including paying special attention to operations such as depositing, withdrawing and wire transfers which are carried out by using systems enabling the institutions to conduct non face-to-face transactions, closely monitoring the transactions that are not consistent with financial profile or activities of the customer or do not have connection with his/her activities, and establishing a limit to amounts and number of transactions.

10. Simplified CDD Measures³⁴

Due to the low level of risks involved simplified measures may be applied to:

- Transactions between financial institutions themselves
- Transactions in which the customers of the obliged parties excluding financial institutions are banks
- Transactions in which the customer is a public administration or a quasi-public professional organization according to the regulation.
- The transactions where customer is an international organization or an embassy or a consulate located in Turkey
- Transactions regarding mass customer acceptance within the scope of salary payment

³² (RoM, Article 18)

³³ (RoM, Article 20)

³⁴ (RoM, Article 26) (The Financial Crimes Investigation Board, General Communiqué No: 5 (Official Gazette: 09.04.2008-26842))

- Transactions related to salary payments of employees of agencies of international organizations located in Turkey or embassies and consulates
- Transactions regarding pension contracts, pension plans and life insurance contracts
- Transactions in which the customer is the company whose shares are listed on the stock exchange
- Transactions relating to the prepaid cards

Simplified measures cannot be applied in instances where there is a risk of money laundering or terrorist financing or the financial institution has filed an STR to MASAK.

11. Compliance Programme

According to RoC³⁵ (Regulation on Program of Compliance with Obligations of Anti-Money Laundering and Combating The Financing of Terrorism)

- a) Banks (Except for Central Bank of Republic of Turkey, Development and Investment Banks),
- b) Capital Markets Brokerage Houses,
- c) Insurance and pension companies and
- ç) General Directorate of Post (pertaining only to banking activities)

are required to develop a compliance program on a risk based approach in order to prevent laundering proceeds of crime and financing of terrorism. This compliance should include the following³⁶:

- a) Developing institutional policy and procedures,
- b) Carrying out risk management activities,
- c) Carrying out monitoring and controlling activities,
- ç) Assigning compliance officer and establishing the compliance unit,
- d) Carrying out training activities,
- e) Carrying out internal control activities.

With this aspect, these obliged parties are required to at least take the following measures for the groups determined as risky as a result of risk rating activities, a consequence of the risk management activities³⁷:

- a) Developing procedures for ongoing monitoring of transactions and customers,
- b) Requiring approval of one level higher officer for establishing business relationship, sustaining current business relationships or carrying out transactions,
- c) Gathering as much information as possible on the purpose of the transaction and source of the asset subject to transaction,

³⁵ (RoC, Article 4)

³⁶ (RoC, Article 5)

³⁷ (RoC, Article 13)

ç) Obtaining additional information and documents under the scope of customer due diligence, and taking additional measures for verifying and certifying the information submitted.

The monitoring and control activities of these obliged parties have to include the following³⁸ :

- a) Monitoring and controlling the customers and transactions in the high-risk group,
- b) Monitoring and controlling transactions conducted with risky countries,
- c) Monitoring and controlling complex and unusual transactions,
- ç) Obligated party's control, through sampling method, of whether the transactions exceeding the amount which the obliged party will determine according to the risk policy are consistent with the customer profile,
- d) Monitoring and controlling linked transactions which, when handled together, exceed the amount requiring customer identification,
- e) Control of customer related information and documents which are required to be kept in electronic environment or in written form and the information required to be placed in wire transfer messages, completing the missing information and documents and updating them,
- f) During the business relationship, ongoing monitoring whether the transaction conducted by the customer is consistent with information regarding business, risk profile and fund resources of the customer,
- g) Control of the transactions carried out through using systems enabling the performance of non face-to-face transactions,
- ğ) Risk based control of services that may become prone to misuse due to newly introduced products and technological developments.

12. Obligation of Retaining CDD information³⁹

The financial institutions are required to retain the documents, books and records, identification documents for eight years starting from the drawn up date, the last record date, the last transaction date respectively and submit them when requested. Those who violate the retaining obligations are sentenced to imprisonment from one year to three years and to judicial fine from 100TL up to 500.000TL⁴⁰

13. Sanctions: Cases where CDD requirements are not met⁴¹

Financial institutions violating any CDD obligation are administratively fined by MASAK. The fine rate is updated each year and for the year 2012, the administrative fine is determined as 7.852 TL⁴². In case that the financial institution is a bank, finance company, factoring company, money lender, financial leasing company, insurance and reinsurance company, pension company, capital market institution or bureau de change, the administrative fine is

³⁸ (RoC, Article 15)

³⁹ (Law No 5549, Article 8,14)

⁴⁰ (As 18.01.2012 an equivalent of 55-273.030 USD)

⁴¹ (RoM, Article 14)

⁴² (As 18.01.2012 an equivalent of 4.287-USD)

applied by two-fold, a total of 15.704 TL⁴³. An administrative fine of 3.139 TL⁴⁴ is also applied to the employee of the financial institution who does not fulfil the obligations.

⁴³ (As 18.01.2012 an equivalent of 8.575-USD)

⁴⁴ (As 18.01.2012 an equivalent of 1.714-USD)

List of Abbreviations

CDD	Customer Due Diligence
MASAK	Financial Crimes Investigation Board
ML	Money laundering
RoM	Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism
RoC	Regulation on Program of Compliance with Obligations of Anti-Money Laundering and Combating The Financing of Terrorism
TF	Terrorist Financing