

LAW NO.(25) OF 2013 WITH RESPECT TO AMENDING CERTAIN PROVISIONS OF LEGISLATIVE DECREE NO.(4) OF 2001 WITH RESPECT TO PROHIBITION AND COMBATTING MONEY LAUNDERING AND TERRORISM FINANCE

We, Hamad bin Isa Al Khalifa, King of the Kingdom of Bahrain,

Having reviewed the Constitution,

And the Penal Code promulgated by Legislative Decree No.(15) of 1976, as amended,

And Legislative Decree No.(16) of 1976 with respect to Explosives, Arms and Ammunition, as amended,

And Legislative Decree No.(8) of 1985 with respect to Ratifying the United Nations Convention on Law of the Sea signed in Jamaica on 10th December, 1982,

And Legislative Decree No.(11) of 1995 with respect to the Protection of the Artefacts,

And Legislative Decree No.(21) of 1996 with respect to the Environment, as amended by Legislative Decree No.(8) of 1997,

And Legislative Decree No.(4) of 2001 with respect to Prohibition and Combatting Money Laundering and Terrorism Finance, as amended by Law No.(54) of 2006,

And the Commercial Companies Law promulgated by Legislative Decree No.(21) of 2001,

And Legislative Decree No.(36) of 2002 regulating the Government Tenders, Auctions, Purchases and Sales, as amended,

And Law No.(15) of 2005 with respect to approving the Accession of the Kingdom of Bahrain to the Convention for the Suppression of unlawful Acts Against the Safety of Maritime Navigation and the Protocol for the Suppression of Illegal Acts Directed towards the Safety of Fixed Platforms located on the Continental Shelf,

And Law No.(11) of 2006 with respect to Trade Marks,

And Law No.(22) of 2006 with respect to the Protection of the Copyright and the Antecedent Rights, as amended by Law No.(12) of 2008,

And Law No.(58) of 2006 with respect to the Protection the Community from the Acts of Terrorism,

And the Law of the Central Bank of Bahrain and Financial Institutions promulgated by Law No.(64) of 2006,

And Law No.(15) of 2007 with respect to Narcotic Drugs and Psychotropic Substances,

And Law No.(1) of 2008 with respect to Combatting Trafficking in Persons,

And Law No.(7) of 2010 with respect to Ratifying the United Nations Convention Against Corruption,

The Shura Council and Council of Representatives ratified the following Law which we approved and enacted:

Article 1

There shall be added to the introduction of Article (2) of the aforesaid Legislative Decree No.(4) of 2001, a new Paragraph under No.(2.1) and to re-arrange the remaining paragraphs of the Article, which shall read as follows:

Article (2) Paragraph (2.1):

Money Laundering generated from the following crimes whether they take place inside or outside the Kingdom shall be prohibited:

- a) Narcotic drugs and psychotropic substances crimes.
- b) Kidnapping or piracy crimes.
- c) Terrorism crimes and its finance.
- d) Crimes related to environmental protection and hazardous materials.
- e) Crimes related to explosives, arms and ammunitions.
- f) Bribery, embezzlement, damaging public property, abuse of power or influence, graft and unlawful profiteering crimes.
- g) Theft and related crimes, fraud, breach of trust and related acts.
- h) Immorality and prostitution crimes.
- i) Offenses against intellectual property rights.
- j) Tax evasion crimes (Customs duties).

- k) Crimes related to providing financial services in violation of the legally prescribed laws and crimes committed by insiders and crimes related to market information.
- l) Crimes of trafficking in persons.
- m) Crimes of trading in antiquities.
- n) Any other crimes set forth in the Bahrain Penal Code or any other laws and crimes indicated in international conventions and protocols attached thereto which Bahrain is party if they are punishable by the Bahraini law.

Article 2

The expression "acquired from a criminal activity" shall be amended to read as "acquired from one of the crimes provided for in Paragraph (2-1)" wherever it appears in Paragraph (2-2) in the introduction to Article (2).

- 2-2 A person shall be considered perpetrator of a money laundering crime if he commits one of the following acts which leads to demonstrating the legitimacy of its source:
- a) Conducting any transaction related to proceed of a crime, in the knowledge, belief or leading to believe that it is proceeds of one of the crimes provided for in Paragraph (2-1) or from any act considered as participation therein.
 - b) Concealing the nature of proceeds of a crime, its place, manner of disposing, movement, ownership, right related thereto in knowledge, taking into consideration or making to believe that these are proceeds of one of the crimes provided for in Paragraph (2-1) of an act considered as a participation therein.
 - c) Acquiring, receiving or transporting proceeds of a crime in the knowledge, taking into consideration or leading to believe that, these are proceeds of one of the crimes provided for in Paragraph (2-1) of an act considered as participation therein.
 - d) Retaining or acquiring the proceed of a crime in the knowledge, taking into consideration or leading to believe that, these are proceeds of one of the crimes provided for in Paragraph (2-1) of an act considered as participation therein.

Article 3

The provision of Paragraph (3-3) of Article (3) of Legislative Decree No.(4) of 2001 with respect to Prohibition and Combatting Money Laundering and Financing Terrorism shall be amended to read as follows:

Article (3) Paragraph (3-3):

Without prejudice to the bona fide of third parties rights, any person who commits one of the money laundering crimes shall be sentenced in addition to the prescribed penalty to the confiscation of the funds subject to the crime or any other funds belonging thereto that are equal to the funds subject to the crime.

Upon the lapse of the criminal case due to the death of the accused, the judge shall pass a judgement to confiscate the funds which are proved have been acquired from the crime.

Article 4

The Prime Minister and the Ministers, each in his respective capacity shall implement the provisions of this Law which shall come into force from the day following the date of its publication in the Official Gazette.

**Signed: Hamad bin Isa Al Khalifa,
King of the Kingdom of Bahrain.**

Issued at Riffa Palace:
On: 26th Shawwal, 1434 Hijra,
Corresponding to: 2nd September, 2013 A.D.