Measures Against the Financing of Terrorism Act

Promulgated, State Gazette No. 16/18.02.2003, amended, SG No. 31/4.04.2003, amended and supplemented, SG No. 19/1.03.2005, amended, SG No. 59/21.07.2006, effective as from the date of entry into force of the Treaty of Accession of the Republic of Bulgaria to the European Union - 1.01.2007, amended and supplemented, SG No. 92/13.11.2007, SG No. 109/20.12.2007, effective 1.01.2008, SG No. 28/14.03.2008, SG No. 36/4.04.2008, supplemented, SG No. 33/26.04.2011, effective 27.05.2011, amended and supplemented, SG No. 57/26.07.2011, amended, SG No. 38/18.05.2012, effective 19.11.2012, amended and supplemented, SG No. 102/21.12.2012, SG No. 27/5.04.2016, amended, SG No. 81/14.10.2016, effective 1.01.2017, SG No. 7/19.01.2018, amended and supplemented, SG No. 27/27.03.2018, SG No. 42/28.05.2019, effective 28.05.2019, SG No. 94/29.11.2019, SG No. 69/4.08.2020, SG No. 21/12.03.2021

Text in Bulgarian: Закон за мерките срещу финансирането на тероризма

Article 1. This Act defines the measures against the financing of terrorism, as well as the procedure and the control with respect to the application of the said measures.

Article 2. The purposes of this Act shall be to prevent and detect actions by natural persons, legal persons, groups and organizations that are directed at financing terrorism.

Article 3. (1) The measures under this Act shall be:

1. (amended, SG No. 27/2016) freezing of funds, other financial assets or economic resources;

2. (amended, SG No. 27/2016) prohibition to provide financial services, funds and other financial assets or economic resources.

(2) (Amended and supplemented, SG No. 19/2005, supplemented, SG No. 28/2008, amended, SG No. 38/2012, effective 19.11.2012, SG No. 7/2018) The persons who have implemented a measure under Paragraph (1) shall immediately notify the Minister of Interior, the Minister of Finance, the Chairperson of the State Agency for National Security and the Commission for Counter-Corruption and Unlawfully Acquired Assets Forfeiture.

(3) The blocking/freezing under Paragraph (1) shall have the effect of an attachment or distraint.

Article 4. (Amended, SG No. 28/2008) The information necessary to achieve the purposes of this Act shall be collected, processed, systematized, analyzed, stored, used and provided by the State Agency for National Security.

Article 4a. (New, SG No. 57/2011, amended, SG No. 38/2012, effective 19.11.2012, SG No. 7/2018) The information exchange needed for the purposes of this Act shall be organised in accordance with a joint instructional document issued by the Minister of Interior, the Minister of Finance, the Chairperson of the State Agency for National Security, the Chairperson of the Commission for Counter-Corruption and Unlawfully Acquired Assets Forfeiture and the Prosecutor General of the Republic of Bulgaria.

Article 4b. (New, SG No. 27/2016) The measures under article 3 shall be applied in relation to:

1. natural persons, legal persons, groups and organisations on which sanctions for terrorism or for its financing have been imposed with a regulation of the European Union and the Council;

2. natural persons, legal persons, groups and organisations identified by the United Nations Security Council as associated with terrorism, or with respect to whom sanctions for terrorism have been imposed by a resolution of the United Nations Security Council following the publication of the information under article 5a, paragraph (1), item 2;

3. natural persons, legal persons, groups and organisations included in a list adopted with a decision of the Council of Ministers.

Article 4c. (New, SG No. 27/2016) (1) The measures related to the subjects under article 4b, item 1 shall be applied pursuant to the procedure provided for in the regulations of the European Union and in this Act if applicable.

(2) The measures related to the subjects under article 4b, items 2 and 3 shall be applied pursuant to this Act.

Article 5. (1) (Supplemented, SG No. 28/2008, amended, SG No. 27/2016) Acting on a motion by the Minister of Foreign Affairs, the Minister of Interior, the Chairperson of the State Agency for National Security or the Prosecutor General, the Council of Ministers shall adopt, supplement and amend the list under Article 4b, item 3.

(2) (Supplemented, SG No. 33/2011, effective 27.05.2011, amended, SG No. 27/2016) The following shall be included in the list referred to in Paragraph (1):

1. persons against whom criminal proceedings have been instituted for terrorism, financing of terrorism, recruitment and training of individuals or groups of people for the purpose of practising terrorism, exiting or entering Bulgaria's border, as well as illegal stay in it for the purpose of participating terrorism, forming, managing or membership of an organised crime syndicate having as its purpose the practice of terrorism or the financing of terrorism; preparation to practice terrorism; forgery of an official document for the purpose of facilitating the practice of terrorism, manifest incitement to practising terrorism; or a threat to practise terrorism, within the meaning given by the Criminal Code;

2. persons of whom there is sufficient data that they engage in activities related to terrorism or to financing terrorism;

3. persons identified by the competent authorities of another state.

(3) (Amended, SG No. 27/2016) In the cases under Paragraph (2), item 3 the motion to adopt a decision of the Council of Ministers shall be made by the Minister of Foreign Affairs in coordination with the Minister of Interior and the Chairperson of the State Agency for National Security following a request by another state to the Ministry of Foreign Affairs.

(4) (Supplemented, SG No. 102/2012, amended, SG No. 27/2016) The decision of the Council of Ministers under Paragraph (1) shall be promulgated in the State Gazette immediately after its adoption and shall be published on the web sites of the Council of Ministers, the Ministry of Interior and the State Agency for National Security.

(5) (Amended and supplemented, SG No. 27/2016) The persons referred to in Paragraph (2) may appeal against the decision of the Council of Ministers, whereby they are included in the list referred to in Paragraph (1), before the Supreme Administrative Court under the procedure of the Administrative Procedure Code. Any such appeal shall not stay the execution of the act appealed against.

(6) (New, SG No. 27/2016) A copy of the ruling of the Supreme Administrative Court granting an appeal under Paragraph (5) shall be sent to the Council of Ministers forthwith, which shall immediately introduce the required modifications. The decision of the Council of Ministers whereby the list is modified shall be promulgated and published according to the procedure established by Paragraph (4).

(7) (Supplemented, SG No. 28/2008, SG No. 102/2012, repealed, renumbered from Paragraph 6, supplemented, SG No. 27/2016) In case the grounds for including a person in the list under Paragraph (1) have ceased to exist, the Minister of Foreign Affairs, the Minister of Interior, the Chairperson of the State Agency for National Security or the Prosecutor General shall, acting on his or her own initiative or at the request of the parties concerned, submit a proposal to the Council of Ministers to remove the said person from the list within 14 days after becoming aware of the grounds for removal. The decision of the Council of Ministers whereby the list is modified shall be promulgated and published according to the procedure established by Paragraph (4).

(8) (Supplemented, SG No. 28/2008, SG No. 33/2011, effective 27.05.2011, amended, SG No. 27/2016) The prosecutors shall immediately notify the Minister of Interior, the Prosecutor General and the Chairperson of the State Agency for National Security when they institute criminal proceedings for terrorism; financing of terrorism; recruitment and training of individuals or groups of people for the purpose of practising terrorism, exiting or entering through the country's borders, as well as illegal stay in it for the purpose of engaging in terrorism, forming, managing or membership of an organised crime syndicate having as its purpose the practice of terrorism or the financing of terrorism; preparation to practise terrorism; forgery of an official document for the purpose of facilitating the practice of terrorism, manifest incitement to practising terrorism; or a threat to practise terrorism, within the meaning given by the Criminal Code.

Article 5a. (New, SG No. 27/2016) (1) The Ministry of Foreign Affairs shall publish immediately on its web site information regarding:

1. the adopted regulations of the European Parliament and the Council on imposing sanctions for terrorism or for its financing;

2. the adopted resolutions of the UN Security Council on imposing sanctions in relation to terrorism or its financing, as well as the modifications of the lists of persons under these resolutions;

3. the adopted decisions of the Council of Ministers pursuant to Article 5, Paragraph (1).

(2) A consolidated text of the list under Article 5, paragraph (2) shall be published immediately on the web site of the Ministry of Foreign Affairs.

Article 5b. (New, SG No. 27/2016) (1) The State Agency for National Security in coordination with the Ministry of Foreign Affairs shall issue instructions for the implementation of the measures under Article 3.

(2) The instructions under paragraph (1) shall be published on the web site of the Ministry of Foreign Affairs and the State Agency for National Security.

Article 6. (1) (Amended, SG No. 102/2012, SG No. 27/2016, SG No. 27/2018) All funds and other financial assets or economic resources owned by any persons referred to in Items 2 and 3 of Article 4b herein, regardless of whose possession they are in, as well as all funds and other financial assets or economic resources found in the possession of, held by, or controlled by any persons referred to in Items 2 and 3 of Article 4b herein, as well as of any persons acting on their behalf or for their account or on their instructions, shall be blocked with the exception of the things and the rights whereon coercive execution may not be levied.

(2) (Amended, SG No. 27/2016) The measure under paragraph 1 shall apply also to funds and other financial assets or economic resources acquired after:

1. the publication of the information under Article 5a, paragraph 1, item 2;

2. the publication of the list under Article 4b, item 3.

(3) (Amended, SG No. 27/2016) The implementation of the measure under paragraph (1) shall not prevent the accrual of interest on and the acquisition of other civil benefits from the funds and other financial assets or economic resources frozen, and anything that is newly acquired shall also be frozen.

(4) (New, SG No. 27/2016, amended, SG No. 27/2018) Anything that is acquired or generated by funds and other financial assets or economic resources that are owned, held or controlled by any persons referred to in Items 2 and 3 of Article 4b herein, as well as by any persons acting on their behalf and for their account of on their instructions shall also be blocked as of the respective date under Paragraph (2).

(5) (Renumbered from Paragraph 4, amended, SG No. 27/2016, SG No. 81/2016, effective 1.01.2017) The Minister of

Interior or an official explicitly authorised thereby may authorise that payments or other acts of disposition be effected with the funds and other financial assets or economic resources frozen, when necessary for the following purposes:

1. medical treatment or other urgent humanitarian needs of the person whose property is blocked/frozen, or of a member of the family thereof;

2. payment of liabilities to the State;

3. payment of remunerations for work performed;

4. compulsory social insurance;

5. (amended, SG No. 27/2016) meeting the current needs of the natural persons specified in Article 4b, items 2 and 3 and the members of their families.

(6) (Renumbered from Paragraph 5, amended, SG No. 27/2016, SG No. 81/2016, effective 1.01.2017) The authorisation under Paragraph (5) shall be issued on a case-by-case basis, upon a reasoned application by the person concerned or, regarding the payment of liabilities to the State, also on the initiative of the Minister of Finance. The Minister of Interior or an official authorised thereby shall return a decision within 48 hours of the submission of the application.

(7) (Renumbered form Paragraph 6, amended and supplemented, SG No. 27/2016, amended, SG No. 81/2016, effective 1.01.2017) Any refusal of the Minister of Interior or an official explicitly authorised thereby to grant an authorisation under paragraph (5) shall be subject to appeal before the Supreme Administrative Court under the procedure of the Code of Administrative Procedure.

Article 7. (1) (Amended, SG No. 27/2016, SG No. 27/2018) Natural and legal persons or other legal entities shall be prohibited from providing funds and other financial assets or economic resources, as well as financial services, to any persons referred to in Items 2 and 3 of Article 4b herein, except by an authorisation issued under the terms and according to the procedure established by Article 6 herein.

(2) (Amended, SG No. 27/2016) The prohibition under Paragraph (1) shall not apply to ordinary small transactions intended to meet current needs of the natural person specified in Article 4b, items 2 and 3 herein or of the members of the family thereof.

Article 8. (1) (Amended, SG No. 27/2016, SG No. 27/2018) Any transactions in blocked funds and other financial assets or economic resources of any persons referred to in Items 2 and 3 of Article 4b herein, as well of any persons acting on their behalf and for their account or on their instruction, as any transactions for providing funds and other financial assets or economic resources to any such persons, shall be prohibited.

(2) Anything given by the parties to a transaction carried out in violation of Paragraph (1) shall be forfeited to the Exchequer.

(3) An action under Paragraph (2) shall be brought by the Minister of Finance in the area where the property is located or the transaction is performed. If the place of performance of the transaction is abroad, the action shall be brought before the Sofia City Court.

(4) (Amended, SG No. 27/2016) If the funds and other financial assets or economic resources subject to forfeiture are no longer available, their cash equivalent shall be awarded.

(5) (Amended, SG No. 27/2016) Third parties in good faith claiming individual rights on frozen funds and other financial assets or economic resources may lay their claims under a general claims procedure after:

1. the publication of the information under Article 5a, Paragraph 1, item 2;

2. the publication of the list under Article 4b, item 3.

Article 9. (1) (Amended, SG No. 109/2007) Any person, who knows that given financial operations or transactions are intended to finance terrorism, must immediately notify the Minister of Interior and the Chairperson of the State Agency for National Security.

(2) (Amended, SG No. 31/2003, repealed, SG No. 109/2007, new, SG No. 94/2019) The persons referred to in Article 4 of the Measures against Money Laundering Act shall apply the measures set out in items 1 to 4 of Article 3 of the same Act with a view to preventing the use of the financial system for the purposes of terrorist financing under the conditions and according to the procedure Articles 5 to 9, Chapter Two, Chapter Three and Chapter Seven of the Measures against Money Laundering Act and this Act.

(3) (Amended, SG No. 31/2003, SG No. 92/2007, SG No. 109/2007, amended and supplemented, SG No. 36/2008, amended, SG No. 57/2011, SG No. 27/2018, SG No. 94/2019) Whenever suspecting and/or becoming aware of terrorist financing, the persons referred to in Article 4 of the Measures against Money Laundering Act shall also be obliged to notify immediately the Financial Intelligence Directorate of the State Agency for National Security before the operation or transaction is carried out and to delay the execution of said operation or transaction within the time allowed in accordance with the statutory instruments governing the type of activity concerned. In the notification, the persons referred to in Article 4 of the Measures Against Money Laundering Act herein shall state the maximum period of time for which the operation or transaction can be deferred. In such cases, the Directorate shall exercise the powers vested therein under Articles 74 and 90 of the Measures Against Money Laundering Act.

(4) (New, SG No. 57/2011) The notification obligation under Paragraphs (1) and (3) shall also apply to attempted operations or transactions aimed at the financing of terrorism, and to funds suspected to be related to or used for acts of terrorism, or used by terrorist organisations or terrorists.

(5) (New, SG No. 92/2007, amended, SG No. 28/2008, renumbered from Paragraph 4, SG No. 57/2011, amended, SG No. 27/2018) In cases where delaying the operation or transaction under Paragraph (3) is objectively impossible or is likely to frustrate efforts to pursue the beneficiaries of a suspicious transaction or operation, the person referred to in Article 4 of the Measures Against Money Laundering Act shall inform the Financial Intelligence Directorate of the State Agency for National Security immediately after the said transaction or operation has been carried out, stating the reasons why the delaying was impossible.

(6) (New, SG No. 27/2018, amended, SG No. 94/2019, supplemented, SG No. 21/2021) The Financial Intelligence Directorate of the State Agency for National Security may receive information about terrorist financing not only from the persons referred to in Article 4 of the Measures Against Money Laundering Act but also from their employees who are not responsible for applying measures against the financing of terrorism, from a State body or through international exchange. The National Revenue Agency authorities and the customs authorities are obliged to provide information to the Financial Intelligence Directorate of the State Agency for National Security immediately if, in carrying out their statutory functions, they establish facts and circumstances that may be related to terrorist financing. In such cases, the Directorate shall exercise the powers vested therein under Articles 74 and 90 of the Measures Against Money Laundering Act.

(7) (New, SG No. 27/2018, amended, SG No. 94/2019) The Financial Intelligence Directorate of the State Agency for National Security shall provide the person referred to in Article (4) of the Measures Against Money Laundering Act and the bodies referred to in Paragraph (6) with information related to the notification made thereby. The decision regarding the volume of feedback which is to be provided about each particular instance of notification shall be taken by the Director of the Directorate.

(8) (Renumbered from Paragraph 4, SG No. 92/2007, renumbered from Paragraph 5, SG No. 57/2011, renumbered from Paragraph 6, amended, SG No. 27/2018) The persons referred to in Article 4 of the Measures Against Money Laundering

Act shall include in the internal rules thereof referred to in Section I of Chapter Eight of the said Act criteria for recognising suspicious operations, transactions and customers focused on financing terrorism.

(9) (New, SG No. 27/2018) Where, upon an analysis of information obtained according to the procedure established by Articles 76, 77 and 78 of the Measures Against Money Laundering Act, a suspicion of financing terrorism arises, the Financial Intelligence Directorate of the State Agency for National Security shall exercise the powers vested therein under Article 74 (3) of the said Act.

(10) (Renumbered from Paragraph 5, SG No. 92/2007, amended, SG No. 28/2008, renumbered from Paragraph 6, SG No. 57/2011, renumbered from Paragraph 7, amended, SG No. 27/2018) The disclosure of information under Paragraphs (3) and (6) may not be refused or limited on considerations regarding official, banking, trade or professional secrecy, or because the said information constitutes tax and insurance information or protected personal information, and shall not give rise to liability for breach of restrictions on disclosure of information provided for by contract, a statutory instrument of primary or secondary legislation or an administrative act.

(11) (New, SG No. 92/2007, renumbered from Paragraph 7, amended, SG No. 57/2011, renumbered from Paragraph 8, amended, SG No. 27/2018, supplemented, SG No. 42/2019, effective 28.05.2019, amended, SG No. 94/2019) Subject to Paragraph (10), neither shall any liability ensue in cases when it is established that no criminal offence has been committed and the operations and transactions have been lawful. The submission of notification pursuant to paragraph 6 herein or of an internal report concerning an existing suspicion of terrorist financing shall not serve as grounds for the termination of the employment relationship or civil-service relationship of the person who submitted the notification or report or for the application of other disciplinary measures or sanctions in respect of said person.

(12) (New, SG No. 94/2019) Any person who has been dismissed or subjected to other disciplinary measures, or in respect of whom threats have been made or other acts leading to mental or physical harassment have been carried out because to the fact that said person has submitted a notification pursuant to Article 6 or an internal report of an existing suspicion of terrorist financing, shall be entitled to compensation for the pecuniary and non-pecuniary damage suffered thereby, in addition to the rights to be protected against unlawful dismissal and other rights to protection against unequal or discriminatory treatment.

(13) (New, SG No. 92/2007, renumbered from Paragraph 8, SG No. 57/2011, renumbered from Paragraph 9, amended, SG No. 27/2018, renumbered from Paragraph 12, amended and supplemented, SG No. 94/2019) The persons referred to in Article 4 of the Measures Against Money Laundering Act, the authorities referred to in Article 74 (4) of the said Act, the authorities under Paragraph (6), the persons who manage and represent the said persons and authorities, as well as the employees thereof, may not notify their customer or third parties of the disclosure of information under this Act except in the cases referred to in Article 80 (2) to (5) of the Measures Against Money Laundering Act and in compliance with Article 80 (7) and (8) of the said Act.

(14) (New, SG No. 27/2016, renumbered from Paragraph 10, amended, SG No. 27/2018, renumbered from Paragraph 13, amended, SG No. 94/2019) Information on the notification under Paragraph (3) shall be shared within the group, unless otherwise instructed by the Director of the Financial Intelligence Directorate of the State Agency for National Security within the time limit referred to in Paragraph (3).

(15) (New, SG No. 27/2016, renumbered from Paragraph 11, amended, SG No. 27/2018, renumbered from Paragraph 14, amended, SG No. 94/2019) Information on the reporting under Paragraph (5) shall be shared within the group, unless otherwise instructed by the Director of the Financial Intelligence Directorate of the State Agency for National Security.

(16) (New, SG No. 27/2018, renumbered from Paragraph (15), SG No. 94/2019) The form and the procedure for the submission of the notification referred to in Paragraphs (3) and (5) shall be established by the Regulations for Application of the Measures Against Money Laundering Act.

Article 9a. (New, SG No. 92/2007, amended, SG No. 28/2008, SG No. 27/2018) (1) The supervisory authorities within the meaning given by Item 11 of § 1 of the Supplementary Provisions of the Measures Against Money Laundering Act shall be obliged to provide information to the Minister of Interior and to the State Agency for National Security promptly if the course of implementing the supervision activities thereof, the said authorities establish any facts which may be related to financing of terrorism.

(2) The supervisory authorities referred to in Paragraph (1) shall furthermore verify compliance with the requirements of this Act by the regulated entities. Upon the ascertainment of a violation, the supervisory authorities shall promptly inform the

Financial Intelligence Directorate of the State Agency for National Security, transmitting an abstract of the relevant part of the statement of ascertainment.

(3) (Amended, SG No. 94/2019) The Financial Intelligence Directorate of the State Agency for National Security and the supervisory authorities referred to in Paragraph (1) may exchange information for the purposes of the statutory functions performed thereby, subject to Article 87 (4) of the Measures Against Money Laundering Act.

Article 9b. (New, SG No. 27/2018) (1) (Supplemented, SG No. 42/2019, effective 28.05.2019) Where, upon the scrutiny and analysis of information obtained under the terms and according to the procedure established by this Act, the suspicion of financing of terrorism is not dispelled, the Financial Intelligence Directorate of the State Agency for National Security shall exercise the powers vested therein under Article 75 (1) of the Measures Against Money Laundering Act and complying to the restrictions laid down in Article 75 (1) of the same act.

(2) (New, SG No. 42/2019, effective 28.05.2019) The Financial Intelligence Directorate of the State Agency for National Security shall exercise its powers set out in Article 75 of the Measures Against Money Laundering Act upon receiving reasoned requests for the provision of information from a security service or public order service within the meaning of items 16 and 17 of § 1 of the Measures Against Money Laundering Act, from a competent specialised directorate of the State Agency for National security or from the directorate referred to in Article 16(2) of the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act, where said requests are based on suspicions of terrorist financing.

(3) (Renumbered from Paragraph (2), SG No. 42/2019, effective 28.05.2019) Access to information under the terms established by Article 75 (3) of the Measures Against Money Laundering Act may be used for the purposes of this Act, and full information shall be provided under the terms and according to the procedure established by Article 75 (3) and Article 81 (2) of the said Act.

(4) (Renumbered from Paragraph (3), amended, SG No. 42/2019, effective 28.05.2019) The prosecuting magistracy, the relevant security or public order service, the competent specialised directorates of the State Agency for National Security and the Directorate referred to in Article 16 (2) of the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act, which have received information from the Financial Intelligence Directorate of the State Agency for National Security according to the procedure established by Paragraphs (1) and (3), shall provide feedback to the Directorate about the use made of the information provided, about the referral of the said information to another competent authority or institution, as well as about the outcome of the investigations or inspections performed on the basis of the said information, investigations or inspections, including on a pre-trial proceeding initiated on this basis.

(5) (Renumbered from Paragraph (4), amended, SG No. 42/2019, effective 28.05.2019, repealed, SG No. 94/2019).

Article 9c. (New, SG No. 27/2018) (1) In the cases referred to in Article 9 (1) and (3) herein, information may alternatively be provided by electronic means with a qualified electronic signature or with an access certificate issued by the State Agency for National Security. Upon receipt of the information, an incoming number and date shall be generated automatically and shall be sent to the sender by an electronic message.

(2) The terms and procedures for the issuing and use of an access certificate referred to in Paragraph (1), the types of documents and the data that may be submitted using a qualified electronic signature or an access certificate and the procedure for the submission of any such documents and data by electronic means shall be determined by written instructions of the Director of the Financial Intelligence Directorate of the State Agency for National Security. The instructions shall be published on the web site of the State Agency for National Security.

(3) Information may be exchanged according to the procedure established by Article 9 (6) and by Articles 9a and 9b herein over protected channels of electronic communication subject to the requirements of the Classified Information Protection Act.

Article 10. (1) The competent authorities, which have received information in connection with the application of this Act, shall not disclose the identity of the persons who have provided any such information.

(2) The information collected under this Act may only be used for the purposes of this Act or to counter crime.

Article 11. (1) (Amended, SG No. 109/2007, supplemented, SG No. 28/2008, amended, SG No. 81/2016, effective 1.01.2017, SG No. 27/2018) In the cases referred to in Article 9 (1), (3) and (6) herein, the Minister of Interior or the Chairperson of the State Agency for National Security, or officials expressly empowered thereby, may issue a written order on the suspension of a particular operation or transaction for a period of up to five working days reckoned from the day

succeeding the day of issuing of the order, in order to analyse the said operation or transaction, confirm the suspicion and disseminate the results of the analysis to the competent authorities. After carrying out the analysis, the Financial Intelligence Directorate of the State Agency for National Security shall promptly inform the prosecuting magistracy of the suspension of the operation or transaction, providing the necessary information while protecting the anonymity of the person who effected the notification under Article 9 (1), (3) and (6) herein. Where a preventive attachment or garnishment is not imposed within that period, the person referred to in Article 4 of the Measures Against Money Laundering Act may carry out the operation or transaction.

(2) (Supplemented, SG No. 28/2008, amended, SG No. 27/2016, SG No. 81/2016, effective 1.01.2017) In case of emergency, when this is the only opportunity to freeze funds and other financial assets or economic resources of a person in respect of whom there is reason to believe that he or she prepares to commit a terrorist act, the Minister of Interior or the Chairperson of the State Agency for National Security or an official explicitly authorised thereby may, by a written order, freeze funds and other financial assets or economic resources for a period of up to 45 working days reckoned from the day following the date of issuing of the order whereas they shall notify forthwith the prosecutor's office and shall provide to it any required information.

(3) (Supplemented, SG No. 28/2008, amended, SG No. 81/2016, effective 1.01.2017) The orders under paragraphs (1) and (2) above can be appealed before the Supreme Administrative Court. The Supreme Administrative Court shall pronounce on any such appeal within 24 hours after its receipt. Any such appeal shall not stay the execution.

(4) The persons obliged to comply with the orders under Paragraphs (1) and (2) shall be considered notified as of the date on which they receive a transcript of the said orders.

(5) (Supplemented, SG No. 28/2008, amended, SG No. 81/2016, effective 1.01.2017) When real property is being frozen, a copy of the order under paragraph (2) and the Court's ruling under paragraph (3) will be sent to the relevant Registry Office.

Article 11a. (New, SG No. 27/2018) (1) The Financial Intelligence Directorate of the State Agency for National Security shall use the information obtained under the terms and according to the procedure established by this Act to carry out the strategic analysis referred to in Article 84 of the Measures Against Money Laundering Act.

(2) The Financial Intelligence Directorate of the State Agency for national security may also use the information obtained under Articles 76, 77 and 78 of the Measures Against Money Laundering Act for the purpose of countering the financing of terrorism.

Article 12. (Amended, SG No. 19/2004, SG No. 38/2012, effective 19.11.2012, SG No. 27/2016) (1) The measures under Article 3, Paragraph 1 shall be terminated within seven days of:

1. the publication of the information under Article 5a, Paragraph 1, item 2 on deletion of a person from the UN Security Council resolutions;

2. the publication in the State Gazette of the decision of the Council of Ministers with which natural or legal persons, groups and organisations have been deleted from the list under Article 4b, item 3.

(2) In the cases where in relation to the persons under Article 4b, item 2 sanctions for terrorism or its financing have been imposed also by a regulation of the European Parliament and the Council the measures under article 3, paragraph 1 shall be terminated under the procedure of the regulation.

Article 13. (Amended and supplemented, SG No. 28/2008) The Minister of Interior as well as the Chairperson of the State Agency for National Security respectively shall exchange with the competent authorities of other countries and of international organizations information for the purpose of preventing and detecting actions by natural and legal persons directed at financing terrorism.

Article 14. (Amended, SG No. 31/2003, SG No. 109/2007, SG No. 27/2018) (1) Acting on its own initiative and on request, the State Agency for National Security shall exchange information under this Act with the relevant international

authorities, with the authorities of the European Union and with authorities of other States on the basis of international treaties and/ or by reciprocity.

(2) (Supplemented, SG No. 42/2019, effective 28.05.2019) Acting on its own initiative and on request, the State Agency for National Security shall exchange information about a suspicion of financing of terrorism under the terms and according to the procedure established by Section II of Chapter Six of the Measures Against Money Laundering Act. In such cases, the Directorate shall exercise the powers vested therein under Articles 74 of the Measures Against Money Laundering Act.

Article 14a. (New, SG No. 27/2018) Control over compliance with the obligations under this Act by the persons referred to in Article 4 of the Measures Against Money Laundering Act shall be exercised by the Chairperson of the State Agency for National Security according to the procedure established by Chapter Nine of the Measures Against Money Laundering Act.

Administrative Penalty Provisions

Article 15. (Amended, SG No. 27/2016, SG No. 27/2018) (1) (Amended, SG No. 42/2019, effective 28.05.2019, SG No. 94/2019) Any person, who or which commits or tolerates the commission of any violation under Article 6, paragraphs 1 to 4, Article 7, paragraph 1, Article 9, paragraphs 1 to 5, 8, 10 and 13 to 15 and Article 11, paragraphs 1 and 2 herein, unless the act constitutes a criminal offence, shall be liable to:

1. a fine of BGN 2,000 or exceeding this amount but not exceeding BGN 10,000, where the offender is a natural person;

2. a pecuniary penalty of BGN 20,000 or exceeding this amount but not exceeding BGN 50,000, where the offender is a legal person or sole trader;

3. a pecuniary penalty of BGN 30,000 or exceeding this amount but not exceeding BGN 100,000, where the offender is a person referred to in Items 1 to 6 and Items 8 to 11 of Article 4 of the Measures Against Money Laundering Act.

(2) Upon a repeated violation, the sanction under Paragraph (1) shall be:

1. under Item 1 of Paragraph (1): a fine of BGN 5,000 or exceeding this amount but not exceeding BGN 20,000;

2. under Item 2 of Paragraph (1): a pecuniary penalty of BGN 40,000 or exceeding this amount but not exceeding BGN 100,000;

3. under Item 3 of Paragraph (1): a pecuniary penalty of BGN 50,000 or exceeding this amount but not exceeding BGN 200,000.

(3) (Amended, SG No. 42/2019, effective 28.05.2019) The sanction for serious or systematic violations under Paragraph (1), unless the act constitutes a criminal offence, shall be:

1. under Item 1 of Paragraph (1): a fine of BGN 5,000 or exceeding this amount but not exceeding BGN 2,000,000;

2. under Item 2 of Paragraph (1): a pecuniary penalty of BGN 50,000 or exceeding this amount but not exceeding BGN 2,000,000, or up to the double amount of the benefit derived from the violation, if the said benefit can be identified;

3. under Item 3 of Paragraph (1): a pecuniary penalty of BGN 100,000 or exceeding this amount but not exceeding BGN 10,000,000, or up to 10 per cent of the annual turnover, including gross income, according to the consolidated accounts of the parent undertaking for the previous year, comprising interest receivable and other similar income, income from shares and other variable or fixed yield securities income and receivables from commissions and/or fees.

(4) The fines referred to in Item 1 of Paragraph (1) and Item 1 of Paragraph (2) shall furthermore be imposed on any person who manages and represents a person referred to in Article 4 of the Measures Against Money Laundering Act, as well as on any person who is responsible for the exercise or who exercises internal control over compliance with the obligations of a person referred to in Article 4 of the Measures Against Money Laundering Act and the Regulations for Application thereof, where the said persons have committed or have tolerated the commission or have participated in the commission of a violation under Paragraph (1).

(5) (Amended, SG No. 42/2019, effective 28.05.2019) The sanction for serious or systematic violations under Paragraph (1), unless the act constitutes a criminal offence, shall be:

1. (amended, SG No. 21/2021) a fine of BGN 5000 or exceeding this amount but not exceeding BGN 2 000 000, where the

offender is a person who manages and represents a person referred to in Item 7 and Items 12 to 39 of Article 4 of the Measures Against Money Laundering Act, as well as a person who is responsible for the exercise or who exercises internal control over compliance with the obligations of a person referred to in Item 7 and Items 12 to 39 of Article 4 of the Measures Against Money Laundering Act and the Regulations for Application thereof, where the said persons have committed or have tolerated the commission or have participated in the commission of a violation under Paragraph (1);

2. a fine of BGN 10,000 or exceeding this amount but not exceeding BGN 10,000,000, where the offender is a person who manages and represents a person referred to in Items 1 to 6 and Items 8 to 11 of Article 4 of the Measures Against Money Laundering Act, as well as a person who is responsible for the exercise or who exercises internal control over compliance with the obligations of a person referred to in Items 1 to 6 and Items 8 to 11 of Article 4 of the Measures Against Money Laundering Act and the Regulations for Application thereof, where the said persons have committed or have tolerated the commission or have participated in the commission of a violation under Paragraph (1).

(6) In cases of offences committed by a person which is a civil-law company within the meaning given by the Obligations and Contracts Act, a lawyer partnership within the meaning given by the Bar Act or another unincorporated legal entity, the fines and the pecuniary penalties referred to in Paragraphs (1), (2) and (3) shall be imposed on the managing partners and on the persons who manage and represent the entity.

(7) Any person referred to in Paragraph (4), whereon a fine has been imposed by an enforceable penalty decree under Paragraph (5), may not occupy a senior management position at a person referred to in Article 4 of the Measures Against Money Laundering Act for a period of one year.

(8) (Amended, SG No. 42/2019, effective 28.05.2019) Under the terms established by Paragraphs (2) and (3), acting on a proposal by the Chairperson of the State Agency for National Security or by the Minister of Interior, or on its own initiative, the authority which issued the authorisation or licence to carry on an activity to a person referred to in Article 4 of the Measures Against Money Laundering Act, may withdraw the authorisation or licence issued for the activity concerned or may order the removal of the recording where a registration regime applies.

(9) The instruments under Paragraph (8) shall be appealable according to the procedure established by the Administrative Procedure Code.

(10) (Amended, SG No. 94/2019, SG No. 69/2020, SG No. 21/2021) The State Agency for National Security, the Bulgarian National Bank, the Financial Supervision Commission and the National Revenue Agency shall publish in a timely manner on their official websites information about all enforceable instruments whereby compulsory administrative measures provided for in this Act have been imposed and all enforceable penalty decrees imposing sanctions for infringements of this Act. Any such publications shall include information regarding the offender, the type and nature of the infringement and the type and extent of the measure or penalty imposed. The information for judicial instruments whereby enforceable penalty decrees have been revoked after resumption of the administrative penalty proceedings under Article 70 of the Administrative Violations and Sanctions Act shall furthermore be subject to publication. The said publication shall be effected under the terms and according to the procedure established by Article 122 of the Measures Against Money Laundering Act. The Financial Intelligence Directorate of the State Agency for National Security shall inform the European banking authority of all administrative sanctions imposed on persons referred to in Items 1 to 11 of Article 4 of the Measures against Money Laundering Act for violations of this Act, as well as of all compulsory administrative measures imposed on said persons pursuant to this Act, including of any appeal in relation to them and the outcome of such an appeal.

Article 16. (1) (Amended, SG No. 27/2016, SG No. 42/2019, effective 28.05.2019, amended and supplemented, SG No. 69/2020, amended, SG No. 21/2021) The written statements ascertaining infringements shall be drawn up by the control authorities of the Ministry of Interior, the State Agency for National Security, the National Revenue Agency, the designated officials of the Bulgarian National Bank or by the designated officials by the authorities of the Financial Supervision Commission. The penalty decrees shall be issued by the Minister for Interior, the Chairperson of the State Agency for National Security, the supervisory authority, the head of that authority or officials empowered by the minister, chairperson or head.

(2) The ascertainment of violations, the issuing, appeal against and the execution of penalty decrees shall follow the procedure established by the Administrative Violations and Sanctions Act.

SUPPLEMENTARY PROVISIONS

(Title amended, SG No. 57/2011, SG No. 27/2016, SG No. 27/2018)

§ 1. (Amended, SG No. 59/2006, SG No. 27/2016) In the meaning herein:

1. "Financial services" within the meaning given by this Act, shall be: carrying out the activities under Article 2 (1) and (2) of the Credit Institutions Act; insurance, reinsurance or insurance-related services; public offering of securities and trade in securities; all forms of management of funds or properties on a professional basis; all forms of management of collective investments, management of social insurance companies and funds; provision and dissemination of financial information, processing of financial data and the respective software ensuing from providers of other financial services, as well as consulting, intermediation, accounting and other auxiliary activities related to the financial services described above.

2. "Funds and other financial assets or economic resources" shall be: property of any kind, regardless of whether tangible or intangible, movable or immovable, acquired in whatever manner as well as legal documents or instruments in any form, including electronic or digital, certifying property title or other rights on it, including but not limited to, bank credits, travellers cheques, bank cheques, cash transfers, shares, securities, bonds, bills of exchange, letters of credit.

3. (Amended, SG No. 27/2018) "Financing of terrorism" shall be any direct or indirect, illegal and intentional provision and/or collection of funds and other financial assets or economic resources, and/or provision of financial services with the intention that they be used or in the knowledge that they are to be used, in full or in part, for the purpose of perpetrating terrorism, financing terrorism, recruiting or training separate individuals or groups of people in order to perpetrate terrorism, exiting or entering across the border of the country, as well as staying in the country without authorisation in order to engage in terrorism, forming, directing or participating in an organised crime group which makes it its object to perpetrate terrorism or to finance terrorism, preparing for the perpetration of terrorism, theft in order to procure instruments for the perpetration of terrorism, forging an official document in order to facilitate the perpetration of terrorism, overtly inciting to the perpetration of terrorism, or threatening to perpetrate terrorism within the meaning given by the Criminal Code.

4. (Repealed, SG No. 27/2018).

5. (New, SG No. 27/2018) A violation shall be "systematic" where five or more administrative violations of this Act of the same type have been committed within one year.

§ 1a. (New, SG No. 57/2011, repealed, SG No. 27/2016, new, SG No. 27/2018) This Act transposes requirements of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No. 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ, L 141/73 of 5 June 2015).

§ 1b. (New, SG No. 102/2012, repealed, SG No. 27/2016).

§ 1c. (New, SG No. 42/2019, effective 28.05.2019) This Act lays down measures for the implementation of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ, L 119/1 of 4.5.2016).

TRANSITIONAL AND FINAL PROVISIONS

§ 2. (Amended, SG No. 31/2003) The persons under Article 3 (2) and (3) of the Measures against Money Laundering Act shall, within four months after the entry of this Act into force, supplement the internal rules thereof under Article 16 (1) of the Measures against Money Laundering Act by adding criteria for identification of suspicious operations or transactions and customers directed at financing terrorism, and shall transmit the said regulations to the Director of the Financial Intelligence Agency for approval.

§ 3. Items 1 and 2 of § 21 of the 2003 State Budget of the Republic of Bulgaria Act (promulgated in the State Gazette No. 120 of 2002; corrected in No. 2 of 2003) are repealed.

§ 4. (Amended, SG No. 81/2016, effective 1.01.2017) The implementation of this Act is entrusted to the Minister of Interior.

The Act was passed by the 39th National Assembly on the 5th day of February 2003 and the Official Seal of the National Assembly has been affixed thereto.

TRANSITIONAL AND CONCLUDING PROVISIONS

to the Act on Forfeiture to the Exchequer of Unlawfully Acquired Assets

(SG No. 38/2012, effective 19.11.2012)

§ 3. (1) Within two months after the entry into force of this Act, the National Assembly shall elect and the President and the Prime Minister shall appoint members of the Commission for Forfeiture of Unlawfully Acquired Assets.

(2) The credentials of the members of the Commission for Establishing Property Acquired from Criminal Activity who are incumbent upon the entry into force of this Act shall be terminated upon the election or the appointment, as the case may be, of the members of the Commission for Forfeiture of Unlawfully Acquired Assets.

(3) The assets, liabilities, archives and the other rights and obligations of the Commission for Establishing Property Acquired from Criminal Activity shall pass to the Commission for Forfeiture of Unlawfully Acquired Assets.

(4) The Commission referred to in Paragraph (1) shall adopt the Rules referred to in Article 20 herein within one month after the determination of the composition thereof.

(5) The employment relationships of the employees of the Commission for Establishing Property Acquired from Criminal Activity shall be settled under the terms and according to the procedure established by Article 123 of the Labour Code.

§ 4. The authorities referred to in Article 13 (1) herein, who have been appointed prior to the entry into force of this Act, shall be obligated to take the action necessary for the elimination of incompatibility under Items 1, 3 and 5 of Article 8 (3) herein.

§ 5. Any examinations and proceedings for the forfeiture of assets acquired from criminal activity, which are not completed until the entry into force of this Act, shall be completed under the terms and according to the procedure established by the Criminal Assets Forfeiture Act as hereby superseded.

§ 6. This Act shall furthermore apply to any assets acquired unlawfully prior to the entry into force of the said Act.

§ 7. Within six months after the entry into force of this Act, the National Revenue Agency shall deliver to the Interdepartmental Board for Management of Forfeited Assets the case files of any assets which have been forfeited to the Exchequer according to the procedure established by the Act on Forfeiture to the Exchequer of Assets Acquired from Criminal Activity as hereby superseded and which have not been sold as at the date of entry into force of this Act, for making a decision under this Act.

§ 8. The instruction referred to in Article 30 (2) herein shall be adopted within three months after the entry into force of this Act.

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§ 16. This Act shall enter into force six months after the promulgation thereof in the State Gazette.

ACT

to Amend and Supplement the Measures

Against the Financing of Terrorism Act

(SG No. 27/2016)

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§ 12. In the remaining texts of the Act the words "funds, financial assets and other property", "funds, financial assets or other property" respectively shall be replaced by "funds and other financial assets or economic resources".

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TRANSITIONAL AND FINAL PROVISIONS

to the Measures Against Money Laundering Act

(SG No. 27/2018)

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§ 14. (1) Article 9c (1) of the Measures Against the Financing of Terrorism Act shall apply after providing the necessary technical capability and establishing protected channels of electronic communication.

(2) Article 9c (3) of the Measures Against the Financing of Terrorism Act shall apply after providing the necessary technical capability and establishing automated information systems or networks.

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