Ministry of Finance:

REGULATION ON PROGRAM OF COMPLIANCE WITH OBLIGATIONS OF ANTI-MONEY LAUNDERING AND COMBATING THE FINANCING OF TERRORISM

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FIRST SECTION
Objective, Scope, Legal Basis and Definitions

Objective and Scope
ARTICLE 1- (1) The objective of this regulation, for the implementation of Law No. 5549 on Prevention of Laundering Proceeds of Crime dated 11/10/2006, is to regulate principles and procedures regarding establishment of compliance programs and assignment of compliance officers by obliged parties for the purpose of prevention of money laundering and financing terrorism

Legal Basis
ARTICLE 2- (1) This Regulation has been drawn up on the basis of Article 5 of Law No. 5549.

Definitions
ARTICLE 3- (1) In this regulation;
   a) The Ministry means the Ministry of Finance,
   b) MASAK means Financial Crimes Investigation Board,
   c) Service risk means the risk which is possible to be exposed under the scope of non-face-to-face transactions, private and correspondent banking services or new products to be offered using developing technologies,
   c) Law means the Law No. 5549 on Prevention of Proceeds of Crime dated 11/10/2006,
   d) Customer risk means the risk for obliged parties to be abused due to the business field of the customer allowing intensive cash flow, purchasing of valuable goods or international fund transfers to be carried out easily; and due to the acts of customer or those acting on behalf or for the benefit of the customer for money laundering or terrorist financing purposes,
   e) Qualified share means The share that represents, directly or indirectly, ten per cent or more of the capital or voting rights of an undertaking or that yield the privilege to appoint members to board of directors even though such rate is below ten per cent,
   f) Risk means the possibility of financial loss or loss of dignity among obliged parties or their employees due to use of their services for the purpose of money laundering or terrorist financing or not complying completely with the obligations established through the Law or Regulations and Communiques issued in accordance with the Law,
   g) Regulation on Measures means The Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism which was published in the Official Gazette No. 26751 on 09/01/2008,
   ğ) Compliance Unit means the unit which is composed of employees working attached to the compliance officer and charged with the conduct of the compliance program,
   h) Compliance officer means the officer who is employed for the purpose of ensuring the compliance with obligations established through the Law or the legislation issued on the basis of the Law and who is entrusted with the required authority,
i) Compliance Program means all of the measures which is to be established for the prevention of proceeds of crime and financing of terrorism and whose scope is determined in Article 5 of this Regulation.

i) Country Risk means the risk which is possible to be exposed by obliged parties due to business relationships and transactions with citizens, companies and financial institutions of the countries that are announced by the Ministry out of those lacking appropriate money laundering and financing of terrorism laws and regulations, being non-cooperative in the fight against these offences or being identified by competent international organizations as risky.

SECTION TWO
Compliance Program

CHAPTER ONE
Establishment of the Compliance Program

Obliged Parties to Establish Compliance Program

ARTICLE 4- (1) The following obliged parties out of those listed in Article 4 of the Regulation on Measures shall establish compliance program:

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

2) The compliance program shall cover abroad branches, agencies, representatives, commercial representatives and similar affiliated units of obliged parties whose head offices are in Turkey to the extent that the legislation and competent authorities of the country where they are located permit.

Scope of the Compliance Program

ARTICLE 5- (1) The compliance program to be established on a risk based approach for the purpose of ensuring the required compliance with the Law and Regulations and Communiqués issued in accordance with the Law shall include the following measures in order to prevent laundering proceeds of crime and financing of terrorism:

a) institutional policy and procedures,
b) risk management activities,
c) monitoring and controlling activities,
c) compliance officer and the compliance unit,
d) training activities,
e) internal control activities.

(2) Risk management, monitoring and controlling activities under the scope of the compliance program shall be fulfilled by the compliance officer under the observation, supervision and responsibility of the executive board.

(3) Internal control activities under the scope of the compliance program shall be carried out by internal control units or board of inspectors of obliged parties.

Authority and Responsibilities of the Executive Board

MADDE 6- (1) The Executive Board is ultimately responsible for carrying out the whole compliance program adequately and efficiently appropriate for the scope and nature of activities of the obliged party.
(2) Under the scope of paragraph one the Executive Board is authorized to and responsible for assigning compliance officer, explicitly determining in written form the authorities and responsibilities of the compliance officer and the compliance unit, ratifying institutional policies, annual training programs and amendments to be made in accordance with developments, assessing the results of risk management, monitoring, control and internal control activities carried out under the scope of the compliance program, taking required measures for timely elimination of the detected errors and deficiencies, and ensuring an efficient and coordinated performance of all the activities carried out under the scope of the compliance program.

(3) The Executive Board may transfer some or all of its authorities listed in paragraph two to one or more of its members (explicitly and in written form). This kind of an authority transfer shall not remove the authority of the Executive Board in this field.

CHAPTER TWO
Institutional Policy and Procedures

Institutional Policy

Article 7- (1) Obliged parties shall develop an institutional policy under the scope of the compliance program considering their business size, business volume and nature of the transactions they conduct. The Institutional policy shall at least include the policies related to risk management, monitoring, control, training and internal control.

(2) The objective of the institutional policy is to determine the strategies on ensuring the obliged party to comply with the obligations of anti-money laundering and the financing of terrorism, on reducing possible risk to be exposed through assessing their customers, transactions and services with a risk based approach; controls and measures within the institution, operational rules and responsibilities oriented towards ensuring the obliged party to comply with, and to make staff of the institution aware of these issues.

Institutional Procedures

Article 8- (1) The issues such as who is responsible for all the measure and operation rules determined under the scope of institutional policy, and who or which units are responsible for ratifying, carrying out, reporting and monitoring transactions according to determined risk limits shall be explicitly defined as procedures.

(2) In defining the procedures, the assignment and empowerment shall be made in such a manner that the staff responsible for monitoring, controlling and supervising the transactions and workflow within the obliged party according to risks is not the same staff as those responsible for carrying out the transaction.

Developing Institutional Policies and Procedures

ARTICLE 9- (1) Institutional policies and procedures shall be developed in a written form with the participation of all units within the obliged party, if possible, and under the observation and coordination of the compliance officer in accordance with the Law, and regulations and Communiques issued according to the Law.

(2) When developing policies and procedures, obliged parties may make use of recommendations, principles, standards and guidelines of other national and international organizations provided that they are not contradictory with the Law, and regulations and Communiques issued according to the Law.

(3) Institutional policies shall be ratified by the executive board.

Reporting Institutional Policies
ARTICLE 10- (1) Obliged parties shall send their institutional policies by their compliance officer to MASAK. The amendments made in the institutional policies sent shall also be sent to MASAK within thirty days at the latest from the date of amendment.
(2) It is compulsory that the obliged parties notify the institutional policies to the related staff by taking their signatures.

CHAPTER THREE
Risk Management

Risk Management Policy
ARTICLE 11- (1) Obliged parties shall develop a risk management policy under the scope of the institutional policy considering their business size, business volume and nature of the transactions they conduct. The objective of the risk management policy is to define, grade, monitor, assess and reduce the risk possible to be exposed by the obliged parties.
(2) Risk management policy shall cover at least internal measures and operational rules related to measures given in chapter three of the Regulation on Measures which is “Principles Regarding Customer Due Diligence”.

Risk Management Activities
ARTICLE 12- (1) Activities related to risk management shall cover at least:
   a) Developing risk defining, rating, classifying and assessing methods based on customer risk, service risk and country risk,
   b) Rating and classifying services, transactions and customers depending on risks,
   c) Developing proper operational and control rules for ensuring monitoring and controlling risky customers, transactions or services; reporting in a way that warns related units; carrying out the transaction with ratification of senior authorities and controlling it when necessary,
   ç) Questioning retrospectively the coherency and efficiency of risk defining and assessing methods and risk rating and classifying methods depending upon sample events or previous transactions, reassessing and updating them according to achieved results and new conditions,
   d) Carrying out required development works through pursuing recommendations, principles, standards and guidelines established by national legislation and international organizations related to issues under the scope of risk,
   e) Reporting risk monitoring and assessing results regularly to the executive board.

Additional Measures for High-Risk Groups
ARTICLE 13 (Amended article: Official Gazette – 11/06/2014/29027)
(1) Obliged parties shall apply, in proportion to the identified risk, one or more or all of the following enhanced measures for the groups defined to be high risk as a result of risk rating in order to ensure mitigating the risk to be undertaken
   a) Obtaining additional information on the customer and updating more regularly the identification data of customer and beneficial owner,
   b) Obtaining additional information on the intended nature of the business relationship,
   c) Obtaining information, to the extent possible, on the source of the asset subject to transaction and source of funds of the customer,
   ç) Obtaining information on the reasons for the transaction,
   d) Obtaining approval of senior manager to commence or continue business relationship or carry out transaction,
   e) Conducting enhanced monitoring of the business relationship by increasing the number and frequency of the controls applied and by selecting the patterns of transactions that needs further examination,
f) Requiring that in the establishment of permanent relationship the first financial transaction is carried out through another financial institution subject to customer due diligence principles.

(2) The Ministry is authorized to determine high risk situations to be taken into account within the scope of this Article and enhanced measures other than ones listed in paragraph 1.

CHAPTER FOUR

Monitoring and Controlling

Monitoring and Controlling

ARTICLE 14- (1) The obliged parties shall perform monitoring and controlling activities by considering, within the scope of institutional policy, size of business enterprise, business volume and the nature of the transactions they conduct.

(2) The purpose of monitoring and controlling is to protect obliged parties against risks and to ongoing monitor and control whether their operations are carried out in accordance with the Law and regulations and communiques issued pursuant to the Law, and the institutional policies and procedures.

Monitoring and Control Activities

ARTICLE 15- (1) Within the scope of monitoring and controlling activities; the deficiencies detected after the controls carried out regarding the provision of compliance with obligations introduced pursuant to the Law shall be reported to relevant units for necessary measures to be taken and its results shall be followed up.

(2) Within the framework of monitoring and controlling activities, the obliged parties shall be required to ensure that the staff carrying out these activities access to in-house information resources.

(3) Monitoring and controlling activities shall at least include the following activities;

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,

c) Obliged 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, getting the absent information and documents completed 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,

h) Risk based control of services that may become prone to misuse due to newly introduced products and technological developments.

CHAPTER FIVE

Compliance Officer and Compliance Unit
Assignment of Compliance Officer

ARTICLE 16- (1) Obliged parties shall assign compliance officer for the execution of compliance program, (added statement: Official Gazette-18/03/2016/29657) within 30 days following obtaining an operating license.

The compliance officer shall be assigned as attached to executive board or one or more members to whom the executive board has transferred its authority under the Article 6 Paragraph 3 of this Regulation.

(2) Provided that the responsibilities of the compliance officer assigned by the obliged parties stated in the Article 4 Paragraph 1 Subparagraphs (a), (c) and (ç) of this Regulation does not include duties related with sales, marketing and internal control and the responsibilities of the compliance officer assigned by the obliged parties stated in the Article 4 Paragraph 1 Subparagraph (b) does not include duties related with sales and marketing, responsibilities of the compliance officer may include other duties which does not hinder the execution of compliance program.

(3) The obliged parties shall send MASAK the following documents of the person to be assigned as compliance officer:

   a) A copy of the national ID card,
   b) Notarised copy of bachelor’s degree and master’s degree, if any,
   c) Detailed resume which includes information on professional experience,
   d) Assignment document certified by executive board,
   e) Criminal record document received within the last six months, including the archive record.

(4) The notified person shall be subjected to an evaluation by MASAK in terms of whether he/she holds the qualifications sought for those to be assigned as compliance officer. The compliance officer shall be deemed as assigned in cases where no opposition is asserted by MASAK within 30 days after MASAK receives the letter to which the document specified in the Paragraph 3 is attached. Where the reported person does not hold the qualifications sought, the obliged parties shall notify MASAK another person for assignment within thirty days after MASAK informs them of the condition.

(5) Where the compliance officer leaves office for any reason, the obliged party and the compliance officer shall be required to report the reason for leaving in written form to MASAK within ten days as of the date of leaving.

Qualifications for those to be assigned as compliance officer

ARTICLE 17- (1) The following qualifications are sought for the persons to be assigned as compliance officer under the Article 16 of the regulation:

   a) To be a citizen of the Republic of Turkey,
   b) Not to be deprived of civil rights,
   c) Except for reckless offences and irrespective of any previous amnesty, not to have been sentenced to heavy imprisonment or imprisonment of more than five years under abolished Turkish Penal Code No 765 and other laws or an imprisonment of more than three years under Turkish Penal Code No. 5237 or other laws, or not to have been convicted of opposition to abolished Law No. 3182 on Banks and Banking Law No.5411,and the provisions of Banking Law No.5411, Capital Market Law No. 2499 and legislation on money lending matters, which require imprisonment, or infamous crimes of simple embezzlement, aggravated embezzlement, embezzlement, defalcation, extortion, bribery, theft, theft by deception, forgery, abuse of trust, bankruptcy by deception, smuggling offences other than
those arisen by the acts of using and consuming, fraud during official tenders and purchase-sale or crimes committed against State and disclosure of state confidentiality, offences against the symbols of State Sovereignty and the reputation of its organs, offences against state security, offences against the constitutional order and its functioning, offences against national defence, offences against state confidentiality and espionage, offences against relations with foreign countries tax evasion, offences of laundering proceeds of crime and terrorist financing or participation to these crimes,

c) To have graduated from a higher education institution providing a minimum four year-program in Turkey (or abroad provided that its equivalency is recognized by the Council of Higher Education)

d) To have served for at least five years in the manager, expert or supervisor positions within any of the financial institutions specified in the Article 4 Paragraph 1 of this Regulation (including the Central Bank of the Republic of Turkey and development and investment banks) or in the examiner positions specified in the Article 2 paragraph 1 of the law or in manager or expert positions within MASAK.

e) Not to be a qualified shareholder or not to take part in management within the obliged party or its affiliates,

f) Not to be the spouse or a relative by blood up to second degree (including second degree) or by marriage of the partner who is a qualified shareholder, the executive board members or director general of the obliged party.

Compliance Unit

MADDE 18- (1) In order to assure that the compliance officer effectively performs his/her duties and responsibilities introduced by the Regulation, the executive board shall ensure the establishment of compliance unit which is directly attached to the compliance officer and which is responsible for the execution of the compliance program by considering the elements such as the obliged party’s size of business enterprise, business volume, branch number and staff or the level of the risks it may encounter.

(2) The staff to work in the compliance unit may take part in evaluation of internal reports that may constitute a subject for suspicious transactions in light of the Law and the regulations and communiques issued in accordance with the Law, however, he/she may not decide whether the transaction can be reported to MASAK as suspicious transaction or may not directly report suspicious transactions to MASAK. Since the internal reports made to compliance officer within the scope of suspicious transactions are, as well, in the scope of confidentiality, the necessary measures shall be taken by the executive board and the compliance officer to ensure that the staff works without violating this obligation.

Duties, powers and responsibilities of the compliance officer

ARTICLE 19- (1) Duties and responsibilities of the compliance officer assigned according to the Article 16 of the regulation are as follow:

a) To perform necessary works to ensure that obliged party complies with the Law and the regulations issued pursuant to the Law and to provide the necessary communication and coordination with MASAK,

b) To develop institutional policies and procedures and to submit the institutional policies for the approval of executive board,

c) To develop risk management policy, to execute risk management activities,

d) To develop monitoring and controlling policies and to execute activities related with it, and

e) To submit his/her works regarding training programme on laundering proceeds of crime and terrorist financing for the approval of executive board and to ensure the effective implementation of the approved training programme,
e) To evaluate the information and findings obtained through researches that he/she has carried out to the extent of his/her power and the possibilities regarding possibly suspicious transactions which were forwarded or detected by his/her initiative and to report the transactions which he/she considered to be suspicious to MASAK.
f) To take necessary measures for ensuring the confidentiality of reports and other relevant matters,
g) To regularly keep information and statistics on internal control and training activities and to send them to MASAK within the periods specified in the Regulation.

(2) Within the context of ensuring the necessary communication and coordination with MASAK; obliged parties’ obligation to submit information and document to MASAK shall be executed through compliance officer. The obliged party from whom information and document are requested shall be required to submit the information and documents in accordance with the form and method determined by MASAK and notified to him/her.

(3) The compliance officer shall act bona fide in an objective and independent will, acceptable and honest manner,

(4) The executive board shall ensure that the compliance officer has the authority that will enable him to decide with independent will, to request any kind of information and document related with his scope of authority from any unit within the obliged party and to access them on time.

Leaving office of Compliance Officer
ARTICLE 20- (1) In the case of compliance officer leaves his/her office temporarily due to leave, illness and similar reasons, the person who shall deputise for him/her is required to have the qualifications specified in the Article 17 Paragraph 1 (except sub-paragraph d) of the Regulation. Identification and communication data of the person deputizing for compliance officer shall be sent to MASAK.

(2) The person deputizing for the compliance officer shall hold all the duties, powers and responsibilities of the compliance officer. The compliance officer shall not be responsible for the activities carried out as of the period he/she leaves office.

(3) It is not possible to deputise for compliance officer for more than sixty days within a calendar year.

(4) If the compliance officer loses the qualifications requested in the Regulation or it is understood that he/she doesn’t have the qualifications or leaves his/her job, the new assignment shall be performed in thirty days at the latest by the obliged party according to the article 16 of the Regulation and notified to MASAK. The procedures set forth in above sub-paragraph shall be implemented until the compliance officer is reassigned.

CHAPTER SIX
Training

Training Policy
ARTICLE 21- (1) The obliged parties, in the scope of institutional policy, shall constitute a training policy including the matters such as process of training activities, the ones whom are going to be responsible for realization, determination and education of staff and trainers to be participated to training activities and the training methods.

(2) The purpose of training policy is ensuring compliance with obligations imposed by Law and the regulation and communiques issued in accordance with Law, creating an institution
culture by increasing the sense of responsibility of staff on policy and procedures of institution and on risk-based approach and updating of staff information.

Training activities
ARTICLE 22- (1) The obliged parties are required to carry out training activities in compliance with business size, business volumes and changing conditions for prevention of laundering proceeds of crime and terrorist financing.
(2) The training activities shall be carried out under the supervision and coordination of compliance officer. The obliged parties shall conduct their training activities within a particular training program including the subjects determined in article 23 of the Regulation. The training program shall be prepared by compliance officer and the participation of relevant units. The effective implementation of training program shall be observed by compliance officer.
(3) The training activities shall be reviewed according to the results of assessment and evaluation also with participation of relevant units and repeated periodically according to the necessity.
(4) The obliged parties shall benefit from training methods such as organization of seminars and panels, constitution of working groups, use of visual and audio materials in training activities, computer-aided training programs working through internet, intranet or extranet etc.

Training subjects
ARTICLE 23- (1) The trainings to be given to staff by obliged parties shall at least cover the following subjects;
   a) Laundering proceeds of crime and terrorist financing,
   b) The stages, methods of laundering proceeds of crime and case studies on this subject,
   c) Legislation regarding prevention of laundering proceeds of crime and terrorist financing,
   c') Risk areas,
   d) Institutional policy and procedures,
   e) In the framework of Law and related legislation;
      1) Principles relating to customer identification,
      2) Principles relating to suspicious transaction reporting,
      3) Obligation of retaining and submitting,
      4) Obligation of providing information and documents,
      5) Sanctions to be implemented in violation of obligations,
   f) The international regulations on combating laundering and terrorist financing.

Reporting of training results
ARTICLE 24- (1) The obliged parties, relating to the training activities to be implemented, shall report the information and statistics regarding;
   a) Training dates,
   b) The territory or provinces where training is given,
   c) Training method,
   c') Total training hour,
   d) The number of staff to whom training is given and the ratio of the staff trained to the total number of staff,
   e) Distribution of staff training given according to their unit and title,
f) Content of Training,
g) The title and area of expertise of trainers,
to MASAK through compliance officers up to the end of March of every year.

Training activities to be organized by MASAK

ARTICLE 25- (1) MASAK, aiming at training of staff of obliged parties, has the authority to arrange training activities, constitute distant training programs which are computer aided working over internet and take the measures in order to ensure staff of obliged parties to access to these programs.
(2) MASAK also has the authority to arrange training programs for training of trainers who will give training within obliged parties and to give trainer certificate to ones who accomplish these programs successfully. The obliged parties shall pay attention to the staff who will take charge in training activities from the ones who have given trainer certificate.

CHAPTER SEVEN
Internal Control

ARTICLE 26- (1) The purpose of internal control is to ensure confidence to executive board regarding efficiency and sufficiency of whole compliance program.
(2) The obliged parties shall ensure, annually and on a risk-based approach, examination and controlling of institutional policy and procedures, risk management, monitoring and controlling activities and whether the training activities are sufficient and efficient, sufficiency and efficiency of risk policy of obliged party, whether the transactions are carried out in compliance with Law and regulation and communiques issued in accordance with Law and institutional policy and procedures.

Internal control activities

ARTICLE 27- (1) The deficiencies, mistakes and abuses determined as the result of internal control and the opinions and proposals for prevention of reappearance of them shall be reported to the executive board.
(2) While determining the scope of control, the faults determined during the monitoring and controlling workings and the customers, services and transactions containing risk shall be included within the scope of control.
(3) While determining the units and transactions to be controlled, the business size and business volumes of obliged party shall be taken into consideration. In this scope, unit and transaction in the quantity and characteristics of which can represent the whole transactions carried out by obliged party shall be ensured to be controlled.

Reporting of internal control results

ARTICLE 28- (1) Relating to the works carried out in the scope of internal control activities; the statistics containing information regarding the annual business volume of obliged party, total number of staff and total number of branch office, agency and similar affiliated units, the number of branch office, agency and similar units which were controlled, the dates of controls carried out within these units, total control period, the number of staff employed during controls and the number of transactions controlled shall be reported to MASAK by compliance officer up to the end of March of every year.

PART THREE
Exclusive Assignment of Compliance Officer

The obliged parties who shall exclusively assign compliance officer

ARTICLE 29- (1) (Amended: Official Gazette-18/3/2016-29657) Among the obliged parties listed in the first paragraph of Article 4 of Regulation on Measures; Central Bank of Republic of Turkey, development and investment 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, financing and factoring companies, reinsurance companies, financial leasing companies, payment institutions, e-money institutions, portfolio management companies, cargo companies and institutions furnishing settlement and custody services within the framework of capital markets legislation are obliged to assign compliance officer at administrative level within 30 days following obtaining an operating license without developing a compliance program mentioned in this Regulation. Different duties may exist under the responsibility of compliance officer to be assigned in accordance with this article.

(2) The compliance officer shall be assigned as attached directly to the executive board and general directorate. The decision relating to the assignment shall be drawn up as written in order to submit when requested by authorities.

The qualifications required for compliance officers to be assigned exclusively

ARTICLE 30- (1) In accordance with article 29 of Regulation, the qualifications stated in sub-paragraph (a), (b) and (c) of first paragraph of article 17 of Regulation are required for the persons to be assigned as compliance officer.

Duties, powers and responsibilities of those to be assigned exclusively as compliance officer

ARTICLE 31- (1) The duties, powers and responsibilities of the ones to be assigned as compliance officer in accordance with article 29 of Regulation are as follows;

a) To evaluate the information and findings obtained through researches that he/she has carried out to the extent of his/her power and the possibilities regarding possibly suspicious transactions which were forwarded or detected by his/her initiative and to report the transactions which he/she considered to be suspicious to MASAK.

b) To act bona fide in an objective and independent will, acceptable and honest manner in evaluation of suspicious transactions and reporting of them to MASAK, to take necessary measures for ensuring the confidence of reportings,

c) To request all kinds of information and documents necessary from all units within obliged parties in the scope of evaluation of suspicious transactions,

ç) To carry out obliged party’s training, research, development, observance, monitoring and control workings for ensuring compliance with obligations established with Law and regulations and communiques issued in accordance with Law and to provide necessary communication and coordination with MASAK.

Leaving office of compliance officer assigned exclusively

ARTICLE 32- (1) In the case of compliance officer leaves his/her office temporarily due to leave, and similar reasons., the person who shall deputize for him/her is required to have the qualifications enumerated in article 30 of the Regulation. The decision relating to the deputizing shall be drawn up in written for submission upon request of the authorities and the deputizing period shall be clearly stated in the decision.
(2) The person deputizing for the compliance officer shall hold all the duties, powers and responsibilities of the compliance officer. The compliance officer shall not be responsible for the activities carried out as of the period he/she leaves the office.

(3) It is not possible to deputize for compliance officer for more than sixty days within a calendar year.

(4) If the compliance officer loses the qualifications requested in the Regulation or it is understood that he/she doesn’t have the qualifications or leaves his/her job, the new assignment shall be performed in thirty days at the latest by the obliged party according to the article 29 of the Regulation. The procedures set forth in above sub-paragraph shall be implemented until the compliance officer is reassigned.

PART FOUR
Provisional Articles and Final Provisions

Time granted for assignment of compliance officer

PROVISIONAL ARTICLE 1- (1) (Amended first sentence: Official Gazette-26/9/2008-27009) The obliged parties required to assign compliance officer in accordance with Articles 4 and 29 shall assign the compliance officer suitable for them who meets the requirements in Articles 17 and 30 until 01/12/2008. Until this assignment process is executed, the suspicious transaction reports shall be reported in accordance with Regulation Regarding Implementation of Law No.4208 on Prevention of Money Laundering that came into force with Council of Ministers Decision No.97/9523 dated June 03, 1997 and the related General Communiques.

(2) (Added: Official Gazette -2/1/2010-27450) Futures brokerages shall assign a compliance officer having the qualifications given in the Article 30 of the Regulation until 02/02/2010.

(3) (Added: Official Gazette–18/03/2016/29657) The payment institutions and e-money institutions, who have already obtained operating license, portfolio management companies and cargo companies shall assign a compliance officer having qualifications required in article 30 of this Regulation until 31.03.2016.

Procedures for assignment of persons to work as compliance officer

Provisional ARTICLE 2- As of publishing date of this Regulation, the ones who work as compliance officers in deposit and participation banks in accordance with article 14/A of Regulation Regarding Implementation of Law No.4208 on Prevention of Money Laundering that came into force with Council of Ministers Decision No.97/9523 dated June 03, 1997 may keep at their job if they have the qualifications determined in article 17 of this Regulation and assigned pursuant to the principle determined in article 16 of this Regulation, and the ones who work as compliance officers in Central Bank of Republic of Turkey and deposit and participation banks may also keep at their job if they have the qualifications determined in article 30 of this Regulation and assigned pursuant to the principle determined in Article 29 of this Regulation.

Time granted for developing compliance programs

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1 With the framework article 3 of the Regulation published in the Official Gazette in accordance with the original text with No.29657 of 18/03/2016, the phrase “1/3/2016” in the sub-paragraph 3 added to the provisional article 1 of the Regulation was corrected as “31/3/2016” with regard to the correspondence of Ministry of Finance No. 81683147-010.03.[06] – E.3574 of 18/03/2016.
Provisional ARTICLE 3- The obliged parties stated in article 4 of this Regulation shall develop their compliance programs until March 01, 2009 at the latest. The documents relating to institutional policy determined in the scope of compliance program shall also be sent to MASAK until the same date.

ENTRANCE INTO FORCE
ARTICLE 33- (Amended: OG-26/9/2008-27009)
(1) The provisions of this Regulation relating to assignment of compliance officer, duties, powers and responsibilities of compliance officers, the qualifications required for compliance officers to be assigned, leaving office of compliance officer shall enter into force as of 1/10/2008 and the other provisions shall enter into force on 1/3/2009.

ARTICLE 33- (Amended: Official Gazette–26/09/2008/27009) (1) The provisions of this Regulation related to assignment of compliance officer; requirements for compliance officer; duties, powers and responsibilities of compliance officer; and leaving office of compliance officer shall enter into force on 01/10/2008 and other provisions shall enter into force on 01/03/2009.

EXECUTION
ARTICLE 34- The Minister of Finance executes the provisions of this Regulation.