

# Law on Combating the Financing of Terrorism

## Chapter One

### Definitions

#### Article 1

The following terms and phrases – wherever mentioned in this Law – shall have the meanings assigned thereto unless the context requires otherwise:

**1. Law:** Combating Terrorism Crimes and their Financing Law

**2. Regulation:** Implementing Regulation of the Law

**3. Terrorist Crime:** Any act committed, individually or collectively, directly or indirectly, by a perpetrator, with the intention to disturb public order, destabilize national security or state stability, endanger national unity, suspend the Basic Law of Governance or some of its articles, undermine state reputation or status, cause damage to state facilities or natural resources, attempt to coerce any of its authorities into a particular action or inaction or threaten to carry out acts that would lead to of the aforementioned objectives or instigate such acts; or any act intended to cause death or serious bodily injury to a civilian, or any other person, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a Government or an international organization to do or to abstain from doing any act; or

Any act which constitutes an offense as set forth in any of the international conventions or protocols related to terrorism or its' financing or listed in the Annex to the International Convention for the Suppression of the Financing of Terrorism that the Kingdom of Saudi Arabia has ratified.

**4. Terrorism Financing Crime:** The financing of terrorist act or terrorist entity or a terrorist in any forms as set forth under this Law, including financing the travel and training of a terrorist individual.

**5. Terrorist:** Any natural person, whether located inside or outside the Kingdom of Saudi Arabia, who Commits or attempts to commit or participate or organizes or contribute to any crimes as set under this law, by using any means directly or indirectly.

**6. Terrorist Entity:** Any group of persons, whether located inside or outside the Kingdom of Saudi Arabia that commits any of the acts set forth under this Law.

**7. Competent Court:** The Specialized Penal Court.

**8. Funds:** Assets, economic resources or properties of any value or type, however acquired, whether material or immaterial, movable or immovable, tangible or intangible, along with documents, deeds, transfers, letter of credits and instruments of any form, whether inside or outside the Kingdom. This include electronic or digital systems and bank credits that evidence ownership or interest therein, also all types of

commercial papers, securities, or any interest, profit or other income generated from such funds.

**9. Proceeds of Crime:** the funds directly or indirectly obtained or acquired from or through the commission of a predicate offense, whether inside the Kingdom or outside, including any funds transferred or converted wholly or partially into other type of funds

**10. Instrumentalities:** Anything prepared, used, or intended to use, in any form to commit a crime of crimes stipulated in the law.

**11. Provisional Seizure:** Temporary ban on the transport, transfer, exchange, conversion, disposal, or movement of funds, and temporary possession, pursuant to an order issued by a competent court or authority.

**12. Confiscation:** Permanent expropriation and deprivation of funds, Proceeds of crime, or instrumentalities pursuant to an order issued by a competent court.

**13. Utilities and Public or Private Property:** Real estate, property and movables owned by the state or public corporate persons or dedicated to serve public interest including existing installations owned or constructed by the state, activities offered for realizing public interest, including real estate property and movables owned by individuals, private corporate persons, or diplomatic bodies and international and humanitarian organizations operating in the Kingdom.

**14. Financial Institutions:** Any conduct as a business one or more of the financial activities or operations specified in the Implementing Regulation of this Law for or on behalf of a customer.

**15. Designated Non-Financial Businesses or Profession:** Any conducted of any commercial or professional activities as specified in the Implementing Regulation.

**16. Non-profit Organizations:** Any non-profit organization entity that – legally authorized, to collect, receives or disburses funds for charitable, religious, cultural, educational, social or cooperative purposes or for any other purposes.

**17. Customer:** Any person who conduct or intend to conduct any activities as stipulated in the Implementing Regulation with the FIs, DNFBPs.

**18. Business relationship:** Any relationship with a continuing nature, which is established between any of FIs and DNFBPs and its clients related to the activities or services the FIs and DNFBPs provide to them.

**19. Wire Transfer:** A financial transaction carried out on behalf of an originator through a financial institution with the view to making an amount of funds available to a beneficiary at another financial institution, irrespective of whether the originator and the beneficiary are the same person.

**20. Beneficial owner:** Any natural person who ultimately owns or exercises direct or indirect control over

a customer or on whose behalf a transaction is being conducted, including on the FIs or DNFBPs or NPOs or any other legal person.

**21. Competent Authority:** Any administrative authority, law enforcement authority, control authority or supervisory authority with competences in the areas of combating terrorism and its financing, induction, search, attachment, freezing., arrest, investigation, public prosecution, trial, as per the context, in accordance with this Law.

**22. Supervisory Authority:** The authority with responsibility to verify compliance by FIs, DNFBPs, and NPOs with the requirements under this Law, its Implementing Regulation or any relevant Ministerial decision or instructions

## **Chapter 2 General Provisions**

### **Article 2**

The crimes of terrorism and its financing are considered major crimes requiring detention.

### **Article 3**

Notwithstanding the principle of territoriality, the provisions of this Law shall apply to any person, Saudi or non-Saudi, who commits, aids, attempts, instigates, participates or conspires to commit - outside the Kingdom - a crime provided for in this Law, and is not tried for such crime, if such crime aims to:

1. Change the government system in the Kingdom,
2. Suspend the Basic Law of Governance or some of its articles,
3. Coerce the State into a particular action or inaction,
4. Assault Saudi citizens abroad,
5. Cause damage to State properties abroad, including embassies or other diplomatic or consular premises,
6. Carry out a terrorist crime on board any means of transport registered in the Kingdom or carrying its flag, or
7. Undermine the interests of the Kingdom, its economy or national or societal security.

## **Chapter 3 Procedures**

### **Article 4**

The State Security Presidency shall be responsible for criminal control and deduction functions, including search, detection, control criminal and administrative persecution, collection of evidence, indicators, financial investigation and operations of secret nature, as well as identification, tracking seizing and keeping of funds of suspected persons, proceeds and instrumentalities for the crimes set forth in this Law.

## **Article 5**

The Public Prosecution may issue a warrant of arrest or summon any person suspected of committing a crime provided for in this Law.

In all cases, the arrested person may not be held for more than (7) days except by written order, as per the procedures and requirement specified by the implementing regulation.

## **Article 6**

1. The Public Prosecution may at its own motion or upon the request of the criminal investigating officer, order that any person, a financial institution, designated non-financial businesses or non-profit organization provide records, documents or information, the requested party shall execute the request rightly and accurately as specified in the order and without delay. In the case of the request issued to the financial institutions, the request shall be executed through the supervisory authority. The Implementing Regulations of this Law shall set forth the relevant mechanisms.
2. The state security presidency may at its own motion or upon the request of the criminal investigating officer, order that any person, a financial institution, designated non-financial businesses or non-profit organization provide records, documents or information the requested party shall execute the request rightly and accurately as specified in the order and without delay. In the case of the request issued to the financial institutions, the request shall be executed through the supervisory authority. The Implementing Regulations of this Law shall set forth the relevant mechanisms.
3. A person who has been served with an order under Sup (1) and (2) of this article, shall not disclose to any person the existence except where such a disclosure is made to a competent officer for the purpose of complying with the order; or where such a disclosure is made to other staff or members of the management for the purpose of obtaining advice or determining steps to comply with the order.

## **Article 7**

1. The Public prosecutor may issue a search order to enter houses, offices or premises, at any time during the period specified in the search order- to search, arrest persons seize funds, properties, documents, evidences or information in any of the crimes indicated in this Law.
2. In case of taking any of the procedures stated in Sup (1) of this Article against any of the financial institutions, designated non-financial businesses and professions or non-profit organizations, the respective supervisory authority of these entities shall be notified.
3. In case of exigent circumstances, no permit shall be required to perform any of the procedures stated in Sup 1 of this article, provided that a report shall written within 24 hours indicating the reason and grounds of urgency, and the implementing regulation shall clarify the exigent circumstances.

## **Article 8**

The Attorney General of the Public Prosecution may issue a reasoned order to monitor and have access to evidence, records and messages, including letters, publications, parcels and all communication instrument and information and documents saved in electronic systems relating to any of the crimes stated in this Law, and to intercept, seize and records all these materials.

## **Article 9**

- 1- The Public Prosecution may order the competent authority the provisional seizure, on an urgent basis without prior notice the party concerned, on the funds, instrumentalities or proceeds

suspected to be connected to any of the crimes set forth in this Law, and will be used therein and which will be subject to confiscation.

- 2- The President of the State Security may, at the stage of deduction, order the competent authority to urgently effect a provisional seizure, with prior notice to the party concerned, on funds, instrumentalities or proceeds suspected of being connected with any of the crimes stated in this Law, or will be used therein and shall be subject to confiscation. Notification to the Public Prosecution shall be made within a limited time not exceeding 72 hours.

#### **Article 10**

- 1- The president of the State Security, may ban a person suspected of committing any of the crimes stated in this Law from travel outside the Kingdom, or may take other measures relating to his travel or return and should notify the Public Prosecution within 72 hours of the issuance of order. The order may include not notify the suspect what had been taken against him where the security interest requires so.
- 2- The Attorney General of the Public Prosecution, may ban a accused person to committed crimes stated in this Law from travel outside the Kingdom. The order issued may include not notify the suspect what had been taken against him where the investigation requires so.

#### **Article 11:**

Without prejudice to civil right, the Public Prosecution may stop the proceeding of the prosecution against any person who reports a crime provided for in this Law, prior to or after its commission, and cooperates with the competent authorities during the investigation for the purpose of apprehending the remaining perpetrators of said crime or of another crime similar in kind and gravity, or leads the authorities to wanted persons or persons plotting to commit similar crimes.

#### **Article 12**

The accused of crimes under this law may not be provisionally released except temporary by order of the Public Prosecution when there is no security concerns.

#### **Article 13:**

The convicted of crimes under this law may not be provisionally released except temporary by order of the president of the State Security throughout the execution of the sanction, and the implementing regulation shall specify the requirement and condition.

#### **Article 14:**

The president of the State Security may issue controls and procedures to ensure the safety of the released persons in the crimes stipulated in this Law.

#### **Article 15**

The criminal investigation officers or military officers responsible to combating the crimes provided for in this Law may use force in accordance with the rules stipulated in the competent law.

**Article 16:**

A person accused or convicted of one of the crimes provided for in this Law, who sustains damage due to prolonged detention or imprisonment, may petition the President of the State Security seeking indemnification prior to appearing before the specialized criminal court. The petition shall be reviewed by a settlement committee formed for such purpose, pursuant to a decision by the president. Said committee shall comprise at least three members, including a Sharia counselor and a legal counselor. Committee decisions shall be taken by majority within a period not exceeding ninety days from the date of filing the petition.

**Article 17**

With prejudice to the provision stipulated for the Custom authority in the AML law, , and upon suspicion of the financing of terrorism, the Customs Authority shall seize immediately the suspect currency or bearer negotiable instruments, gold bullion, precious metals or precious stones, whatever their value, refer it and its holder to the competent authority to proceed with the required procedures, and notifying the General Directorate of Financial Intelligence, and the implementing regulation shall specify the provision to implement this article.

**Article 18**

The Public Prosecution shall investigate and prosecute crimes stipulated in the present Law at competent court.

**Article 19**

The Public Prosecution may order the detention of any person accused of a crime provided for in this Law for a period, or successive periods, not exceeding any period above 30 days, and not exceed in total for twelve months. In the cases where the investigation requires longer periods of detention, the matter shall be referred to the specialized criminal court to decide on the extension.

**Article 20**

Without prejudice to the right of the accused to inform his family of his arrest, the public prosecution may issue an order barring contact with the accused for a period not exceeding ninety days if the investigation so warrants. If the investigation requires a longer period, the matter shall be referred to the specialized criminal court for decision thereon.

**Article 21**

Without prejudice the right of the person to seek the assistance of a licensed lawyer to defend himself, the public prosecution may restrict this right if the investigation required so.

**Article 22**

Without prejudice to the rights of other third parties, the Public Prosecution shall have the power to determine, trace and trace funds, instrumentalities and proceeds that may be subject to confiscation.

**Article 23**

Investigation proceedings or filing of criminal cases relating to crimes provided for in this Law or crimes related thereto shall not be conditional upon a complaint by the victim, his representative or his heirs.

The civil claimant may file his case before the specialized criminal court after the completion of the investigation relating to public right.

#### **Article 24**

The specialized criminal court shall decide on the following:

- 1- Crimes set forth in this Law.
- 2- Claims for annulment of decisions and claims for compensation in connection with the application of this Law.
- 3- Requests for the execution of final foreign judgments relating to any terrorist offense or terrorist financing offense, including those relating to the confiscation of funds, proceeds or instruments associated with any such offense.

The judgments issued in respect of Sup (1) and (2) of this article shall be appealed at the Specialized Supreme Criminal Court, and may be challenged before a specialized circuit at the Supreme Court as per the circumstance stipulated in the Criminal Procedures law.

#### **Article 25**

The competent court may issue a conviction in the absence of the accused in the commission of any of the offenses provided for in this Law if it is reported by means of notification or an official media. Upon arrest or attendance, the sentenced person shall be brought to the court, which rendered the absentee conviction for re-prosecution.

#### **Article 26**

If there are several crimes related to each other, one of which is one of the crimes provided for in this Law, the competent court shall decide on all crimes against the accused, unless separate documents of these crimes are settled before being submitted to the Court.

#### **Article 27**

- 1- The competent court-if needed- may seek the assistance of experts, and may conduct the testimony of witnesses in the absence of the accused person and his lawyer. The accused or his lawyer shall be informed of the content of the expert report and the testimony without disclosing the identity of person made it. Necessary protection must be provided as required by the state of the witness or expert, the circumstances of the case and the types of potential risks.
- 2- The president of the competent court may, at the time of the proceedings, permit the recording, transmission or presentation of any proceedings of the trial.

#### **Article 28**

The competent authority may execute the order of a provisional seizure of funds or instrumentalities or proceeds promptly.

#### **Article 29**

1. The prosecution in any of the crimes provided for in this Law shall not be eliminated by the extension of the period.
2. In the case of the preservation of the papers or the prosecution of the accused – due to the loss of eligibility

- in any of the crimes provided for in this Law, he shall be placed in a specialized treatment center, provided that when the absence of symptoms of incapacity is presented to the Public Prosecution to consider the resumption of the prosecution.

## **Chapter 4**

### **Sanctions**

#### **Article 30**

Whoever describes, explicitly or implicitly, the King or the Crown Prince as infidel, or challenges him in his religion or justice shall be sentenced to no more than a ten-year prison term of no less than a five-year term.

#### **Article 31**

Whoever carries a weapon or explosives for executing a terrorist crime shall be sentenced to no more than a 30-year prison term or no less than a 10-year prison term.

#### **Article 32**

Whoever establishes or manages a terrorist entity or assumes a leading position therein, shall be sentenced to no more than a twenty-five-year prison term or no less than a fifteen-year prison term. Should the doer be an officer in the armed forces, or one of their staff, or should he have received training at a terrorist entity, the prison sentence shall not be less 20 years or no more than thirty years.

#### **Article 33**

Whoever joins a terrorist entity or participates therein shall be sentenced to no more than a twenty-year prison term or no less than a three-year term. Should the doer be an officer in the armed forces, or one of their staff, or should he have received training at a terrorist entity, the prison sentence shall not be less 15 years or no more than thirty years.

#### **Article 34**

Whoever supports or call for any terrorist ideology, a terrorist entity, a terrorist crime or the approach of its perpetrator, expresses sympathy with it, justifies the act of the crime, promotes, or lauds it, or acquires or obtains any document , publications or recorded materials – with intention of publication or promotion- whatever their types are that include justification or promotion of the terrorist ideology , the terrorist offence and lauding same, shall be sentenced to no more than an eight-year prison term or no less than a three-year term.

#### **Article 35**

Whoever instigates another person to join any terrorist entity or to participate in its activities, or recruits, or contributed to financing any such act shall be sentenced to no more than twenty-five-year prison term or no less than an eight-year term; however, should he ban him from withdrawal from the entity, or exploits for

this purpose his competence, power or responsibility over him or any other educational, training, guidance, social, instructive or information capacity the punishment shall not be less than fifteen years.

### **Article 36**

Whoever performs any of the following acts – for committing any of the crimes set forth under this Law shall be sentenced to no more than a twenty-year prison term or no less than ten years:

1. Dedicates, prepares or manages a place for training.
2. Trains, receives trains or finance training in any of the following:
  - a) Use of any weapons, explosives, nuclear, chemical, biological, radiant, or poisonous materials, or crinating devices, or any wire and wireless communication or electronic mediums, or their manufacturing, preparation, assembling, development, preparation, acquisition, possession or importing them.
  - b) Forgery or use of information media or methods.
  - c) Warfare technics or fighting skills.

### **Article 37**

Whoever provides a terrorist entity, any of its members, or any terrorist with any weapons, explosives, ammunitions, nuclear, chemical, biological, radiant, poisonous materials or burning devices, shall be sentenced to no more than a thirty-year prison term or no less than ten years.

In addition, whoever provides a terrorist entity, any of its leaders, any of its members or any person who is related to crimes stipulated in the present law, with any valid or forged documents.

### **Article 38**

Whoever provides a terrorist entity, any of its members or any terrorist with any communication means, or furnishes any of them with information, consultation, assistance, a livelihood means, housing, shelter, medical care, transport, a meeting place or any other facilities that could help in achieving their purposes, shall be punished by no more than twenty year prison term or no less than a ten-year term.

### **Article 39**

Whoever smuggles any weapons, ammunitions, explosives, nuclear or chemical, biological, radiant or poisonous materials, or any burning devices, any wire or wireless or electronic communication mediums, or manufactures develops, assembles, prepares imports acquires or possesses them, or smuggles any of the raw materials or devices used in manufacturing, preparing and providing them, or transporting them through post parcels, public and private transport means or any other means with the intention of their use in committing any of the crimes state in this Law, shall be punished by no more than a twenty-five-years prison terms or no less than a fifteen-year term.

### **Article 40**

Whoever kidnaps a person, detains or imprisons him, or threatens of any of such deeds for committing a terrorist offence or terrorism financing crime shall be sentenced to no more than a thirty-year prison term or no less than a ten-year term. The court may sentenced a death if any of such deeds was associated with

using of weapons or explosives for threatening.

#### **Article 41**

Whoever hijacks any means of air, sea or land transport or threatens to carry out any of such acts for committing a terrorist crime or terrorism financing offence shall be sentenced to no more than a thirty-year prison term or no less than a ten-year term. The court may sentenced to death if any of such deeds was accompanied with the use of or threatening with weapons or explosives.

#### **Article 42**

Whoever destroys any of the public or private utilities or any means of transport, or any air, sea or land companies or platforms fixed at the bottom of the sea, exposes them to risks, damages them or obstruct service therein, for executing a terrorist crime, shall be sentenced to no more than a fifteen-year prison term or no less than an eight-year term.

#### **Article 43**

Whoever establishes a web site on the internet or a program on a computer system or any electronic systems, or transmits any of them for committing a crime stipulated under this law, or facilitate communication with a leader or members of any terrorist entity, or promulgate its thoughts, or finances it, publishes how to manufacture burning devices or explosives, or any other device for their use in committing a terrorist offence shall be sentenced to no more than a twenty-year prison term or no less than a five-year term.

#### **Article 44**

Whoever broadcast in any means news, a statement, false or malicious rumor for implementing a terrorist crime, shall be sentenced to no more than a five-year prison term or no less than one-year term.

#### **Article 45**

Whoever selects the Kingdom's territories as a location for planning or meeting to commit a terrorist crime or TF offence or a TF crime outside the Kingdom shall be sentenced to no more than a ten-year prison term or no less than a five-year term.

#### **Article 46**

Whoever obstructs the progress of investigation or trial, or attacks or threatens to attack any of the officers enforcing the provisions of this Law, or challenges him or attacks or threaten to attack any of his relatives or properties , shall be punished by a prison term of no more than ten years or no less than a three-year term.

#### **Article 47**

Whoever provides, raises, collects, and receives funds or allocates, transfers, converts , acquires them, or calls for contributing such funds in any manner, directly or indirectly, from a legitimate or illegitimate sources- with the intention that they should be used or in the knowledge that they are to be use wholly or in part for committing a terrorist offence, inside or outside the Kingdom or they are related to it or they will be used by a terrorist entity or a terrorist for whatever purpose, even if the crime has not occurred or the

funds have not been used, shall be sentenced to no more than fifteen-year prison term and no less than a five-year term. If the doer has exploited, for this purpose, the facilities empowered to him by his job capacity or his professional activity or social standing, the punishment shall not be less a ten-year prison term.

#### **Article 48**

Whoever has traveled to another State for the purpose of committing any of the offenses set out in this Law shall be punished by imprisonment for a term not exceeding fifteen years and not less than five years.

#### **Article 49**

Any legal person whose any of his owners, representatives, directors, or agents have committed any of the offences set out in this law or contributed thereto shall be sentenced to a fine of no more than ten million Saudi riyals and no less than three million Saudi riyals, if the crime has occurred in his name or for his own account without prejudice to the responsibility of the natural person who has committed the crime. Courts may have the right to suspend the activity of the legal person on a temporary or permanent basis, or close his offices associated with the crime on a temporary or permanent basis, liquidate his business or appoint a judicial guard to manage funds and transactions. In all cases, the judgement issued against him shall provide for publishing a summary thereof at the cost of the sentenced legal person in a local newspaper issued at his residency area. If no newspaper exists in residency area, it will be published at the region closest to him, or the summary may be published in any appropriate means.

#### **Article 50**

- 1) Whoever commits any act stipulated in this law resulting in the death of one or more persons shall be sentenced to death.
- 2) The imprisonment penalty term for whoever commits any of the crimes stated in this Law shall not be less than half of the greater term specified if its execution is associated with any of the following:
  - a) Use or threaten to use any weapons or explosives,
  - b) If the crime is committed through any club or NPO,
  - c) If the perpetrator resumes committing the crime,
  - d) Exploitation of minors and so on in committing the crime.

#### **Article 51**

- 1) Whoever attempt to commit any of the crime set forth in this Law shall be subject to the punishment prescribed for this act.
- 2) Whoever commits one of the following acts shall deemed as a partner and he shall be punished by the penalty prescribed for the crime:
  - A) Participated through agreement, instigation or help in committing any of the deeds stated in this Law,
  - B) Deliberately concealed or destroyed things used or prepared to be used in committing any of the acts stated in this Law or obtained thereof or documents that could have disclosed the crime and its evidence or the punishment of the person who had committed the crime.
  - C) Enabled a detainee, prisoner or a person wanted in a terrorist crime to run away.

## **Article 52**

None of the punishments prescribed under this Law shall prejudice a more severe punishment based on the provisions of Islamic Sharia Law or other laws.

## **Article 53**

1. A Saudi citizen, convicted for imprisonment in cases related to the crimes stated in this Law, shall be banned from travel outside the Kingdom- on completion of his prison term- for a period similar to the punishment term of which he had been convicted.
2. A non-Saudi person, convicted of a prison term in cases related to the crimes stated in this Law, shall be repatriated from the Kingdom upon the completion of his punishment, and he shall not be permitted to return to the Kingdom.

## **Article 54**

Whoever has been aware of an attempt for the execution of a terrorist crime or its financing and has not reported it to the competent authority, with his ability to report, shall be sentenced to no more than a five-year prison term.

## **Article 55**

Whoever covers any of the crimes stipulated in this Law or one of its perpetrators shall be sentenced to no more than five-year prison term.

## **Article 56**

The competent court may reduce the punishments prescribed under this Law, provided that imprisonment punishment shall not be less than the half of the minimum sentence prescribed, and the fine punishment shall not be less than half of the limit prescribed, if the perpetrator informs competent authorities, of information that could not have been reached at in other ways. This is to help in:

- a) Prevent the commitment of any crime stipulated in this law.
- b) Identify others accomplices of the crime or their legal persecution.
- c) Obtain evidence.
- d) Avoid the effects of the crime or reducing them.
- e) Deprive terrorist entities or terrorists form having access to funds or prevent their control over them.

## **Article 57**

The competent court may suspend the sentence of imprisonment for reasonable reasons which leads to the belief that the sentenced person will not return to commit any of the crimes stipulated in the law, provided that:

- 1- No previous judgment on one of the crimes stipulated in the Law.
- 2 - To show regret for his crime.

If the convict returns to commit any of the offenses set out in the provisions of the Law, the suspension of execution shall be suspended without prejudice to the penalty prescribed for the new offense.

## **Chapter 5 Confiscation**

### **Article 58**

Without prejudice to the rights of third persons in good faith, the Court shall in the event of a conviction; issue an order to confiscate the following:

- a. Proceeds of the crime, including proceeds intermingled with funds acquired from legitimate sources up to the value of the intermingled proceeds;
- b. Instrumentalities; and
- c. Funds related to the crimes stipulated in this law, or intend to be used.

### **Article 59**

In cases where confiscation of funds, proceeds of the crime, instrumentalities, are not possible because the funds are no longer available for confiscation or cannot be located, the court shall order confiscation of any other funds owned by the convict in order to recover an amount that is equivalent in value to funds under Article 58.

### **Article 60**

funds, proceeds of the crime, instrumentalities may not be confiscated if the owner can establish that he/she acquired the funds by paying a fair price or in return for the provision of services corresponding to the value of such funds or based on other legitimate grounds, and that he/she was unaware of their illicit origin.

### **Article 61**

The competent court may invalidate or prohibit an activity or action, whether contractual or otherwise, if one or more of the parties knew or should have known that such an activity could prejudice the ability of the competent authorities to seize or recover funds subject to confiscation.

### **Article 62**

If the confiscation of funds, Instrumentalities or proceeds is deemed to be non-destructive, the competent authority may act in accordance with the law, recover or share them with countries that have conventions or treaties with the Kingdom.

## **Chapter Six**

### **Preventive Measures**

#### **Article 63**

FIs, DNFBPs, and NPOs shall identify, assess, understand and document its financing of terrorism risks, taking into account a wide range of risk factors, including those relating to its customers, countries or geographic areas, products, services, transactions and delivery channels, and provide its risk assessment report to the supervisory authorities upon request. The risk assessment under this Article shall include an assessment, prior to their use, of the risks associated with new products, business practices and technologies.

#### **Article 64**

FIs and DNFBPs shall apply due diligence measures, and determine the extent of due diligence measures, on the basis of TF risks, to its customers and the business relationship, and shall apply enhanced due diligence measures when the TF risks are high. The Implementing Regulation shall set forth the instances in which such measures shall be taken and the types of measures to be taken.

#### **Article 65:**

- 1- FIs, and DNFBPs shall keep records, for all domestic or foreign financial transactions as well as commercial and monetary transactions, keep all records and documents for a period of no less than ten years from the date of concluding the transaction or closure of account.
- 2- In specific cases, the Public Prosecution may oblige FIs and DNFBPs to extend the record keeping period for as long as required for the purpose of a criminal investigation or prosecution.
- 3- Records shall be sufficient to permit reconstruction of transactions and shall be maintained in a manner so that they can be readily made available to competent authorities upon request.

#### **Article 66**

FIs and DNFBPs shall apply enhanced due diligence measures proportionate to the risks involving business relationships and transactions with a person from a country that was identified as high risk by the FIs, DNFBPs, or the Permanent Committee on Combating Terrorism and its financing. FIs and DNFBPs shall apply the risk mitigating measures prescribed by the supervisory authorities.

#### **Article 67**

FIs, DNFBPs, and NPOs shall have in place and effectively implement policies, procedures and controls against financing of terrorism, aimed at managing and mitigating any risks identified. The Implementing Regulation shall specify matters to be addressed by such policies, procedures and controls.

#### **Article 68**

- 1- Before entering into a cross-border relationship with other institutions, financial institutions shall apply appropriate risk mitigation measures, as prescribed by the Anti-Money Laundering Law.
- 2- FIs shall apply the requirements stipulated in the AML Law when practice wire transfer activity.

## **Article 69**

FIs and DNFBPs must monitor and scrutinize transactions, documents, and data on an ongoing basis as prescribed by the relevant provisions stipulated in the Anti-Money Laundering Law, and examine any complex and unusual large transaction, and any unusual pattern of transactions that has no clear economic or legal objective.

## **Article 70**

FIs, DNFBPs, and NPOs including the providers of legal and account services that suspect or has reasonable grounds to suspect that funds or parts thereof are related or linked to or be used for financing of terrorism, including attempts to initiate such a transaction, shall take the following measures:

- 1- Promptly and directly, Report such transaction to the General Directorate of Financial Intelligence; and provide a detailed report including all available data and information on such transaction and relevant parties.
- 2- Respond to requests from the Directorate for additional information.

## **Article 71**

- 1- FIs, DNFBPs, and NPOs as well as their Members of Board of Directors, directors, Members of its executive or supervisory management, and employees are prohibited from disclosing to a customer or any other person the fact that a report under this Law or related information will be, is being or has been submitted to the Directorate, or that a criminal investigation is being or has been carried out. This shall not preclude disclosures or communications between directors and employees or communications with lawyers or competent authorities.
- 2- FIs, DNFBPs, and NPOs as well as their Members of Board of Directors, directors, Members of its executive or supervisory management, and employees shall be protected from any liability toward the reported if they report their suspicions to the Directorate in good faith

## **Chapter 7**

### **International Cooperation**

## **Article 72**

Competent authorities may exchange information with and make inquiries or joint investigation on behalf of foreign counterparts for the purpose of providing assistance in the investigation or controlled delivery to the funds, with countries that are signatories with the Kingdom to valid agreements, or on the basis of reciprocity. This shall be done pursuant to applicable statutory procedures, without prejudice to the national sovereignty of the country or provisions and customs related to confidentiality of information.

**Article 73**

An accused person or convicted of a crime set out in the law may be extradited to and from another state provided that such extradition is pursuant to a valid agreement between the Kingdom and the requesting state, or on the basis of reciprocity. If the extradition request is denied, he shall be tried before the competent courts in the Kingdom, using investigations provided by the state requesting extradition.

**Article 74:**

The Committee for Mutual Legal Assistance shall receive and process requests for mutual legal assistance concerning crimes set out in this law.

**Article 75**

The Permanent Committee for Combating Terrorism and its financing receive requests from countries and organizations for the implementation of UN Security Council Resolutions relating to the prevention and suppression of terrorism and financing of terrorism. The Committee shall put in place, and update, mechanisms, and take the necessary measures to be taken to implement the said resolutions by the committee. The mechanisms shall be issued pursuant to a decision by the President of State Security.

**Chapter 8****The General Directorate of Financial Intelligence****Article 76**

The Directorate – as a national central agency, shall enjoy adequate operational independence, shall undertake receiving suspicious transaction reports or other reports or information relating to financing of terrorism as provided for by this Law and the Implementing Regulation, to analyze such reports and information, and to disseminate the results of its analysis to competent authorities, either spontaneously or upon request.

**Article 77**

- 1- The Directorate is authorized to obtain any additional information that the Directorate deems necessary to properly carry out its analysis. In cases where a financial institution has not submitted a report under Article 70, or the Directorate's request does not relate to a report submitted by the requested financial institution, the Directorate shall request to provide the requested information only through the supervisory authority. The FI must provide the requested information promptly.
- 2- The Directorate may obtain any financial, administrative, or law enforcement information and any relevant information collected or maintained by or on behalf of competent authorities that it considers is necessary to carry out its function as per the legal provisions.

**Article 78**

Every person with duties for or within the Directorate is required to keep confidential any information obtained within the scope of these duties, even after the cessation of those duties.

## **Article 79**

The Directorate may, on its own motion or by request, disseminate information and the results of its analysis to relevant competent authorities when there are grounds to suspect that a transaction is related to financing of terrorism. The Directorate shall have the authority to carry out its function freely, including the autonomous decision to conduct analysis, request, disseminate or forward specific information.

## **Article 80**

Information disclosed to The Directorate may be exchanged with competent authorities.

## **Article 81**

- 1- The Directorate may seek from or share with a foreign counterpart any information it has received in the course of its functions, and the Directorate may enter into an agreement or arrangement as per the legal procedures to facilitate the exchange of information with a foreign concerned authority.
- 2- Whenever the Directorate provides information under this Article to a foreign counterpart, it shall obtain from that foreign authority a suitable declaration or undertaking that the information provided by the Directorate will only be used for the purpose for which it was sought, unless the foreign counterpart agency seeks and obtains the agreement of the Directorate for the information to be used for another purpose.

## **Chapter 9**

### **Supervision**

## **Article 82**

Supervisory authorities shall have the following powers and duties to carry out their mandate:

1. Collect information and other data from FIs, DNFBPs, and NPOs; and apply appropriate supervisory measures, including on-site inspections and offsite measures;
2. Compel the FIs, DNFBPs, and NPOs to provide any information that the supervisory authority considers relevant to carry out its function, and take copies of documents and files, however and wherever stored;
3. Carry out a financing of terrorism risk assessment for the sectors for which the authority has a supervisory mandate;
4. Issue guidance, decisions and instructions, rules or any other instruments to FIs, DNFBPs, and NPOs to implement the provisions of this Law;
5. Cooperate and share available or accessible supervisory information that is relevant to combating financing of terrorism supervision with any foreign counterpart or carry out inquiries on behalf of any foreign counterpart, or request any such information or cooperation from a foreign counterpart;
6. Verify that the FIs, DNFBPs, and NPOs adopt and enforces measures consistent with this Law, and implement to its foreign branches and majority owned subsidiaries to the extent permitted by the laws of the foreign country;

7. Establish and apply effective fit and proper screening procedures for any person aiming to participate in the management or supervision of the FIs, DNFBPs, and NPOs or for any person aiming to own or control, directly or indirectly, or becoming a beneficial owner of significant shares of a reporting entity; and
8. Maintain statistics concerning any measure adopted and sanction imposed.

### **Article 83**

Without prejudice to any stricter sanctions and subject to the procedures provided for in other laws, if the supervisory authority find that FIs, DNFBPs, and NPOs or any of their directors, board members, executive or supervisory management members failed to comply with any provision of this Law, its Implementing Regulation or relevant decisions or circulars, or any violation referred from other competent authority, the supervisory authority may impose one or more of the following measures:

1. Issue a written warning;
2. Issue an order to comply with a specific instruction;
3. Issue an order to provide regular reports on the measures taken to address the identified violation;
4. Impose a monetary fine of up to 5.000.000 riyals per violation;
5. Ban individuals from employment within the sectors for which the supervisory authority has competences for a period to be determined by the supervisory authority;
6. Restrict the powers of directors, board members, executive or supervisory management members, and controlling owners, including appointing one or more temporary controllers;
7. Dismiss or replace the directors, members of the Board of Directors or of executive or supervisory management;
8. Suspend, restrict or prohibit the continuation of the activity, business or profession or of certain business activities or products;
9. Suspend, restrict or withdraw the license;

## **Chapter 10**

### **Concluding Provisions**

#### **Article 84**

The Permanent Committee for Counter terrorism and its Financing shall coordinate, revise and update periodically national policies in the field of counter-terrorism and its financing, on the basis of international obligations, requirements and developments, as well as the assessment and financing of terrorism risks, including high-risk countries. The President of State Security shall issue the internal regulation for the Permanent Committee for Counter terrorism and its Financing.

#### **Article 85**

The competent authorities shall:

- 1- Ensure the rights of victims in the offenses set forth in this Law, through providing the proper help and support to get their rights,

- 2- Provide the necessary protection to witnesses, sources, judges, prosecutors, investigators, defense counsel and others in the event of serious reasons that endanger their lives, safety, basic interests or family members to damage or danger.

The Implementing Regulation shall set the proper mechanism therein.

#### **Article 86**

Competent authorities in the kingdom may exchange information with each other that are released by FIs, DNFBPs, and NPOs. This shall be done pursuant to applicable statutory procedures, without prejudice to the provisions and customs related to confidentiality of information.

#### **Article 87**

Any person concerned with the implementation of the provisions of this Law shall maintain the confidentiality of information he becomes privy to, and such information may not be disclosed except for the use of the competent authorities. Unless justified, no disclosure may be made to any person of any of the reporting, inquiry, investigation or trial procedures, or of data related thereto, in respect of any of the crimes set forth in this Law.

#### **Article 88**

Specialized Centers shall establish. The centers are mandated to provide care to persons detained for or convicted of any of the crimes provided for in this Law, to correct their ideas and deepening national affiliation. The rules of work of the committees in these centers and how to form them, and rewarding their members and those who are assisted shall issue by the President of State Security.

#### **Article 89**

The State Security Presidency shall establish "Correction and Rehabilitation Centers" which provide care to persons detained for or convicted of any of the crimes provided for in this Law, which aim to facilitate their integration into society, deepen their national affiliation, and correct their misconceptions, and the President of the State Security shall issue the rules governing the role and rewards of its employees and collaborators.

#### **Article 90**

The President of the State Security shall issue a list of security procedures, rights, duties, breaches and penalties, classification of detainees and prisoners within the detention centers and prisons designated for the implementation of the provisions of this Law, and what is necessary to rectify and improve their social and health conditions.

#### **Article 91**

Inferring the intent, the knowledge or the purpose of committing a crime of terrorism or the crime of financing terrorism shall be through the circumstances and the objective and factual circumstances of the case.

#### **Article 92**

The provision set out in the Anti-Money Laundering Law shall also apply for FIs, DNFBPs, and NPOs in cases not provided for in this law.

**Article 93**

The provisions of the Criminal Procedures Law shall apply in cases not provided for in this Law.

**Article 94**

This law shall replace the law of terrorist crimes and its financing, issued by Royal Decree No. (M / 16) dated 24/2/1435 AH, and repeal any contrary provisions.

**Article 95**

The Council of ministers shall issue Implementing Regulations after the preparation of state security presidency, public prosecution, ministry of justice, and Ministry of Finance within no more than (180) days.

**Article 96**

This Law shall enter into force on the day following the date of its publication in the Official Gazette.

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