LAW AMENDING
THE LAW ON THE PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM() (*⁾)

Article 1

In the Law on the Prevention of Money Laundering and Financing of Terrorism (*) (Official Gazette of the Republic of North Macedonia No.151/22), in Article 2 item 9) sub-item (b) in indent 2 the words "payment cards," shall be deleted.

In indent 6 the words "(fast money transfer)" shall be replaced with the words "(including also cross-border single payment transactions as money remittance service)".

Sub-item i) shall be amended and read as follows:
"other legal entities or natural persons who in accordance with law perform one or more activities related to the approval of loans, financial leasing, factoring, forfeiting, provision of investment consulting services, keeping or administrating /distributing cash and other financial activities stipulated by law;".

Item 15) shall be amended and read as follows:

"Money (funds)" denotes the funds pursuant to Article 2 paragraph (1) item 79 of the Law on the Payment Services and Payment Systems (*);".

Item 50) shall be amended and read as follows:

"Group" is a group of legally independent trading companies in which a certain trading company (parent company) has control over one or more trading companies (subsidiaries) and consists of the parent company, its subsidiaries, the companies with which the parent company or its subsidiaries are linked by way of participation in the principal, and also the companies that are related to companies from the group through control or are controlled by the same company that is included in the group.".

Item 50) shall be followed by a new item 50-a) that reads as follows:
"50-a) "Financial group" is a group the parent company of which is a financial institution with the main office in the Republic of North Macedonia.".

In item 59) the conjunction "and" at the end of the sentence shall be replaced by a semi-column.

(This*⁾ Law enables harmonization with the Directive 215/849 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 648/2012 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 (CELEX No. 32015L0849), Directive 2018/843 of the European Parliament and of the Council of 30 May 2018 on amending the Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (CELEX No. 32018L0843 and Regulation 2023/11130) of the European Parliament and of the Council of 31 May 2023 on information accompanying transfers of funds and certain crypto-assets and amending Directive 2015/8499.6.2023 (CELEX No. 32023R1113).

In item 60) the full stop at the end of the sentence shall be replaced by a semi-column.

After item 60) eleven new items 61), 62), 63), 64), 65), 66), 67), 68), 69), 70) and 71) shall be added and read as follows:

"61) "Payment service provider" is a bank or a payment institution or an electronic money institution with a license to provide payment services, i.e. a license to issue electronic money in accordance with the Law on Payment Services and Payment Systems (*);

"62) Intermediary payment service provider" is a payment service provider that is not the payment service provider of the payer or of the payee, and that receives and transfers funds on behalf of the payment service provider of the payer or of the payee or of another intermediary payment service provider;

63) "Payer" is a natural person or legal entity that holds a payment account and allows a payment order from that payment account, or, where there is no payment account, natural person or legal entity that gives a payment order;

64) "Payee" is a natural person or legal entity that is the intended payee of transferred funds;

65) "Crypto asset address" is an alphanumeric code that identifies an address on a network of technology of distributed storage of encrypted data and records or any similar technology and through which crypto assets are sent or received;

66) "Supranational risk assessment" is an assessment of the risk of money laundering and terrorist financing carried out by the European Commission;

67) "Batch file transfer" is a bundle of several individual transfers of funds or transfers of crypto-assets cryptoput together for transmission;

68) "Originator" is a natural person or legal entity that has an account, i.e. a hosted electronic wallet for cryptocrypto assets with a crypto-asset service providercrypto or a device that allows the storage of cryptocrypto assets and allows the transfer of cryptocrypto assets from the account, the hosted electronic wallet, or the device, or the person that initiates or orders the transfer of cryptocrypto assets when there is no account, hosted electronic wallet or device;

69) "Beneficiary" is a natural person or legal entity who is the inteded recipient of the transfer of cryptocrypto assets;

70) "Person-to-person transfer of crypto-assets crypto" is the transfer of cryptocrypto assets without the involvement of cryptocrypto assets service providers and

71) "legal entity identifier " is a unique alphanumeric reference code assigned to a legal entity in accordance with the international standard ISO 17442 or higher for assigning identification marks.".

Article 2

In Article 3, paragraph (1) shall be followed by a new paragraph (2) that reads as follows:

"(2) When implement the national risk assessment referred to in paragraph (1) of this Article, the findings of the Supranational risk assessment are also taken into account."

Paragraphs (2), (3) and (4) shall become paragraphs (3), (4) and (5).

Article 3

In Article 7 paragraph (1) in item a) the words "movable property", shall be followed by the words "or leasing the property".

Paragraph (2) shall be amended and read as follows:
"The obligations under this Law shall not apply to the entities under Article 5 item 2) sub-items b) and c) and item 3) of this Law when perform defense, representation, i.e. other activities authorized by law for the account of the client in court proceedings. In this case, at the request of the Office, the entity

referred to in this paragraph should submit a written explanation within seven days about the reasons for not taking actions in accordance with the provisions of this Law."

Article 4

In Article 11, in paragraph (5), the words "national risk assessment", shall be followed by the words "risk factors that may indicate a potentially low or high risk, determined by the European Union,".

In paragraph (7) the words "the entities they supervise" shall be followed by the words "that include the risk factors that may indicate potentially low or high risk, determined by the European Union, but not limited to that.".

Article 5

In Article 12 paragraph (1) indent 13 the conjunction "and" at the end of the sentence shall be replaced by a semi-column.

In indent 14 the full stop at the end of the sentence shall be replaced by the conjunction "and", which will be followed by a new indent 15, that reads as follows:
"- policies, procedures and internal controls on the implementation of restrictive measures pursuant to the law".

Article 6

In Article 13 item c) shall be amended and read as follows:
"where an occasional transaction is made constituting transfer of funds or wire transfer, including also the crypto assets in the amount of Euro 1 000 or higher in denar counter value according to the middle exchange rate of the National Bank of the Republic of North Macedonia;".

Article 7

In Article 16 paragraph (3) shall be followed by two new paragraphs (4) and (5) that shall read as follows:

(4) The entity has the obligation to identify the beneficiary of the life insurance policy where the name of the beneficiary is known and stated, as well as where the name of the beneficiary in the life insurance policy is not stated, but their relationship with the insured is defined.
(5) The entity has the obligation to identify the beneficiary of the life insurance policy as a relevant risk factor when conducting the risk assessment, i.e. it is necessary to introduce enhanced monitoring by identifying and verifying the identity of the true beneficiary owner of the insurance at the time of payment of the damage whenever the entity determines that the beneficiary which is a legal entity or legal arrangement is of high risk."

Article 8

In Article 17 in paragraph (4) the words "on behalf of the client" shall be followed by the words "and according to the risk of the legal entity, a chronology document issued by a competent authority can be used when these data are changed.".

Article 9

In Article 19 in paragraph (4) the words "capacity as well as to provide information on the identity of the persons determined in Article 22 of this Law shall be replaced by the words "capacity, to provide information on the identity of the persons determined in Article 22 of this Law, as well as to provide data on the title, address, the legal form of the trust or other legal arrangement.".

Paragraph (4) shall be followed by a new paragraph (5) that reads as follows:

"(5) In case when the trustee/manager of the trust, i.e. the person performing similar functions in the legal arrangement acts on behalf and for the account of the trust or the legal arrangement, establishing a business relationship or when performing a transaction with the entity referred to in Article 5 of this Law, shall be obliged to provide information supported by documents that will notify that the person acts in that capacity as well as to provide information on the identity of the persons determined in Article 22 of this Law.

In paragraph (5), that becomes paragraph (6), the words "(3) and (4)" shall be replaced by the words "(3), (4) and (5)".

Paragraph (6) shall become paragraph (7).

In paragraph (7), that becomes paragraph (8), the words "(5) and (6)" shall be replaced by the words "(6) and (7)".

Paragraph (8) shall become paragraph (9).

In paragraph (9), that becomes paragraph (10), the words "paragraphs (6), (7) and (8)" shall be replaced by the words "paragraphs (7), (8) and (9)".

Paragraph (10) shall become paragraph (11).

Article 10

In Article 28, paragraph (6) shall be followed by a new paragraph (7) that reads as follows:

"(7) The manager/trustee of the trust or the person performing similar functions in the legal arrangement acts on behalf and for the account of the trust or similar legal arrangement prescribed by this Law shall be obliged to keep the data and information on the true beneficial owner referred to in Article 22 of this Law, within ten years from the day of ceasing the performance of the activities on behalf and for the account of the trust or the legal arrangement.".

Article 11

In Article 31, in paragraph (2) the full stop at the end of the sentence shall be followed by a new sentence that shall read:

"The trusts and the legal arrangements shall be obliged to insert the data on their true beneficiary owner/s in the registry within 15 days from the day of changing the data on the true beneficiary owner pursuant to Article 22 of this Law.".

Article 12

In Article 38, paragraph (5) shall be followed by a new paragraph (6) that reads as follows:

"(6) The entities shall be obliged to implement the measures referred to in paragraph (3) indent 3 of this Article in a volume that will enable to detect complex and unusual or suspicious transactions.".

Article 13

In Article 42 paragraph (3) the words "the client" shall be followed by the words "as well as to determine the need of submission of a report pursuant to Article 65 of this Law".

Article 14

In Article 48 paragraph (2) shall be followed by five new paragraphs (3), (4), (5), (6) and (7) that shall read as follows:

"(3) Entities that are part of a group, including a financial group, shall be obliged to implement a Program for the effective reduction and management of the identified risk of money laundering and financing of terrorism of the group, that is, the financial group, in all subsidiaries and branch offices that are part of the group, i.e., the financial group.
(4) The Program under paragraph (3) of this Article shall contain:
- goals, volume and manner of operation of the system for preventing of money laundering and financing of terrorism of the entity at the level of the financial group,
- organizational structure of the entity, the position of the authorized person and their deputy in the organizational structure,
- data on the authorized person and their deputy,
- authorizations and responsibilities of the authorized person and their deputy,
authorizations and responsibilities of all employees of the entity who participate in the implementation of the provisions of this Law and the by-laws thereof,
- conclusions of the conducted risk assessment and the manner of managing the risk of money laundering and financing of terrorism,
- measures of client due diligence and client acceptability,
- method for recognizing unusual transactions and suspicious transactions of money laundering and financing of terrorism,
- manner of establishing an of internal mechanism for timely and adequate reporting,
- manner of keeping the data and documents,
- manner of submission of reports to the Office,
- plan for continuous training of the employees in the entity from the area of prevention of money laundering and financing of terrorism that envisages at least two training courses during the year,
- procedure and plan for carrying out an internal audit of the implementation of the measures and activities for prevention of money laundering and financing of terrorism adequate to the size and type of the entity,
- employment screening procedures and screening procedures for the employees in order to ensure high standards for preventing money laundering and financing of terrorism,
- policies, procedures and internal controls for the application of restrictive measures in accordance with the law,
- policies and procedures for the exchange of information for the purposes of client due diligence and management of the risks of money laundering and financing of terrorism,
- ensuring compliance at the group level in the application of measures to prevent money laundering and financing of terrorism, in relation to information on the clients, accounts and transactions by branch offices and subsidiaries, for the purposes of preventing money laundering and financing of terrorism and
- implementation of adequate safeguard measures of confidentiality when using exchanged data and information.

(5) The entity that has a subsidiary or a branch in another country where the minimum requirements for preventing money laundering and terrorist financing are less stricter than the obligations prescribed by this law, the entity shall implement the obligations for preventing money laundering and terrorist financing in the subsidiaries and branches in accordance with this Law, to the extent permitted by the regulations of the other country.

(6) If the regulations of the other country where the entity holds subsidiaries or branches do not allow implementation of the measures and activities for preventing money laundering or terrorist financing prescribed by this law, the entity shall implement additional measures for efficient dealing with the risk of money laundering or terrorist financing and immediately inform the supervisory body referred to in Article 151, of this Law.

(7) If the measures referred to in paragraph (6) of this Article are not sufficient, unless otherwise prescribed by another law, the competent supervisory body referred to in Article 151 of this Law shall implement additional supervisory activities in accordance with their competences prescribed by this Law, including a demand from the entity not to establish or to terminate business relations and not to execute transactions, and where necessary, to demand from the entity to close its subsidiaries or branches in that country.

Article 15

The heading before Article 50, and Article 50 shall be amended and read as follows:

"Transfer of funds
Article 50

The payment service provider and the intermediary payment service provider for the purposes of preventing money laundering and terrorist financing shall apply the provisions of this Law regulating the transfer of funds in any currency".

Article 16

Article 50 shall be followed by five new Articles, 50-a, 50-b, 50-c, 50-d and 50-e that read as follows:

"Obligations of the payment service provider of the payer

Article 50-a

(1) The payment service provider of the payer shall ensure acurate data on the payer and the payee of the funds in any currency in paper or electronic form of the payment order and enter them in the e-message accompanying the transfer of funds from the payer to the payee.
(2) Data on the payer reffered to in paragraph (1) of this Article shall include the following:
- the name and surname, i.e. full name of the payer,
-the number of the payment account and
- the address, including the name of the country, number of the personal identification document, unique identification number (unique master citizen number) or the date and place of birth if the payer is a natural person, i.e. residence, including the name of the country, unique identification number (unique identification number of the entity or legal entity identifier) if the payer is a legal entity.
(3) The paye's d referred to in paragraph (1) of this Article shall include the following:
- name and surname, i.e. full name of the payee,
-number of the payment account and
- unique identification number ((unique identity number of the entity or legal entity identifier) if the payee is a legal entity.

(4) By way of derogation from paragraph (2) indent 2 and paragraph (3) indent 2 of this Article, in case of transfer of funds which is not executed from or towards payment account, the payment service provider of the payer is obliged to ensure that the transfer of funds is accompanied with an unique payment transaction identifier.

(5) in case of a cross-border batch file transfer by onepayer, the individual transfers of funds that are part of such transfer do not have to contain the data referred to in paragraphs (2) and (3) of this Article, provided that the data specified in paragraphs (2), (3) and (4) of this Article are included in the aggregate transfer and that each individual transfer of funds includes at least the payment account number or the unique payment transaction identifier.

(6) When the transfer of funds, including the amount of the transactions related to that transfer, does not exceed Euro 1,000 in denar counter-value according to the middle exchange rate of the National Bank of the Republic of North Macedonia on the day of the payment, the payment service provider of the payer shall be obliged to ensure that the transfer of funds includes at least the following data on the payer and the payee:

- name and surname, i.e. full name of the payer and the payee and

- the account number of the payer and the payee, and if it is missing or cannot be determined, it shall be necessary to determine the unique payment transaction identifier.

(7) The payment service provider of the payer shall confirm the accuracy of data on the payer provided in accordance with Articles 15, 16, 17, 18, and 19 of this Law, before transferring the funds.

(8) The payment service provider of the payer is considered to have confirmed the accuracy of the data received before transferring the funds, if he has previously established a business relationship with the payer and identified and confirmed their identity in accordance with Articles 15, 16, 17, 18 and 19 of this Law and if it acted in accordance with Article 37 of this Law.

(9) By way of derogation from paragraph (7) of this Article, the payment service provider of payer shall not be obliged to confirm the accuracy of payer's data if the amount of the money transfer, including the amount of payment transactions related to this transfer does not exceed Euro 1,000 according to the middle exchange rate of the National Bank of the Republic of North Macedonia on the payment day and if the following conditions are met:

- there are no grounds for suspecting money laundering or terrorist financing and

- the payment service provider has not received the funds to be transferred in cash or as anonymous e-money

(10) The payment service provider of payer shall be obliged to establish and implement procedures to confirm the completeness of the data from this Article.

(11) In accordance with the risk assessment, the payer's payment service provider can confirm the accuracy of the data regardless of the amount of transferred funds.

(12) The payment service provider of the payer shall not transfer funds before making sure that there is full compliance with the conditions provided for in this Article.

"Obligations of the payment service provider of the payee
Article 50-b

(1)   The payment service provider of the payee shall be obliged to confirm whether the data on the payer and the payee of the transferred funds are provided and contained in the e-message accompanying the transfer of funds, in accordance with Article 50-a of this Law.

(2)   The payment service provider shall be obliged to establish and apply procedures for checking the completeness of the data referred to in paragraph (1) of this Article.

(3) If the transfer of funds exceeds Euro 1,000 in denar counter-value according to the middle exchange rate of the National Bank of the Republic of North Macedonia, the day before the payment service provider of the payee approves the payment transaction of the payee or places the funds at the payee's disposal, the payment service provider of the payee shall be obliged to confirm the accuracy of the data obtained for the payee, in accordance with Articles 15,16, 17,18 and 19 of this Law, except if the payee is already identified and their identity is confirmed in accordance with Articles 15,16, 17,18 and 19 of this Law and the payment service provider acts in accordance with Article 37 of this Law, and there are no grounds for suspecting money laundering or terrorist financing.

(4) When the amount of the transferred funds, including the value of the payment transactions related to the transfer, does not exceed Euro 1,000 in denar counter-value according to the middle exchange rate of the National Bank of the Republic of North Macedonia, the day before the payment service provider of the payee approves the payment transaction of the payee or places the funds at payee's disposal, the payment service provider of the payee shall not be obliged to confirm the accuracy of the obtained data for the payee, unless:
- the funds are placed at the payee's disposal in cash or in anonymous e-money and
- there are grounds for suspecting money laundering or terrorist financing.
(5) In accordance with the risk assessment, the payment service provider shall be obliged to confirm the identity of the payee regardless of the amount of the funds transferred in accordance with Articles 15, 16, 17, 18 and 19 of this Law.

<div align="center">Obligations at transferring funds in case of incomplete data
Article 50-c</div>

 (1) The payment service provider of the payee shall be obliged, by applying the approach based on risk assessment, to establish and apply procedures for transfer of funds that do not include complete data specified in Article 50-a of this Law.
(2) When the transfer of funds does not include complete data as required in Article 50-a of this law, in accordance with the risk assessment, the payment service provider of the payee in its procedures referred to in paragraph (1) of this Article shall be obliged to determine in which cases it:
- will reject to execute the transfer of funds;
- will postpone the execution of the transfer of funds until it provides the data that are missing, which must be required from the intermediary payment service provider or from the payer's payment service provider or
- will make transfer of funds and will require the data that are missing from the intermediary payment service provider or the payer's payment service provider.
(3) If the payer's payment service provider continuously fails to provide accurate and complete data as specified in Article 50-a of this Law, the payment service provider of the payer in the transfer of funds shall be obliged to warn them about it, notifying them about the deadline within which they should meet the obligations prescribed in the provisions of this Law. If the payment service provider of the payer fails to comply with the obligations prescribed in the provisions of this Law after receiving such warning and after the expiration of the specified deadline, the payment service provider of the payee shall be obliged to reject future transfers of funds or to limit or terminate the business cooperation with the payer's payment service provider.
(4) In the cases referred to in paragraph (3) of this Article, the payment service provider of the payee shall be obliged:
- to inform the National Bank of the Republic of North Macedonia about the payment service provider that fails to provide accurate and complete data as required in Article 50-a of this Law and about all the measures taken in relation to it as required in paragraph (3) of this Article and
- to determine whether the lack of accurate and complete data referred to in Article 50-a of this Law and the existence of other circumstances, point to suspicion of money laundering or terrorist financing, for which it will submit a report to the Office in accordance with Article 65 of this Law.

Obligations on the intermediary payment service provider

<div align="center">Article 50-d</div>

(1) The intermediary payment service provider shall be obliged to forward the received data on the payer and the payee, from the payer's payment service provider to the payment service provider of the payee.
(2) The intermediary payment service provider shall be obliged to determine whether all data on the payer and the payee are stated in the electronic message accompanying the transfer of funds.

(3) The intermediary payment service provider shall be obliged, by applying the risk-based approach, to establish and apply procedures to be applied in case the electronic message for transfer of funds does not include the data referred to in Article 50-a of this Law.

(4) When the transfer of funds does not include the complete data referred to in Article 50-a of this Law, in accordance with the risk assessment, the intermediary payment service provider shall be obliged in its procedures to determine in which cases it:

- will reject to execute the transfer of funds;

- will postpone the execution of the transfer of funds until it provides the data that are missing, that must be required from the intermediary payment service provider or from the payment service provider of the payer or

- will make transfer of funds and will require the data that are missing from the intermediary payment service provider or the payer's payment service provider.

(5) If the payer's payment service provider or the payee's payment service provider fails to provide accurate and complete data as specified in Article 50-a of this Law, the intermediary payment service provider shall be obliged to warn them about it, notifying them about the deadline within which they should meet the obligations prescribed in the provisions of this Law. If the payer's payment service provider or the payee's payment service provider fails to comply with the obligations prescribed in the provisions of this Law after receiving such warning and after the expiration of the specified deadline, the intermediary payment service provider shall be obliged to reject future transfers of funds received from the payer's payment service provider or the payee's payment service provider or to limit or terminate the business cooperation with them.

(6) In the cases referred to in paragraph (4) of this Article, the intermediary payment service provider shall be obliged:

- to inform the National Bank of the Republic of North Macedonia about the payment service provider that fails to provide accurate and complete data in accordance with Article 50-a of this Law and about all the measures taken in relation to it in accordance with paragraph (4) of this Article and

- to determine whether the lack of accurate and complete data referred to in Article 50-a of this Law and the existence of other circumstances, point to suspicion of money laundering or terrorist financing, for which it will submit a report to the Office in accordance with Article 65 of this Law.

Exceptions to the transfer of funds

Article 50-e

Articles 50, 50-a, 50-b, 50-c and 50-d of this Law shall not apply in the following cases:

   a) when the transfer of funds is made for paying taxes, fines or other public duties in the Republic of North Macedonia;

   b) when the transfer of funds is made only for the purchase of goods or services by using a payment card, an electronic money instrument, a mobile phone or any other digital or IT device, provided that the number of such card, instrument or device, or a single identification sign, accompanies such transfer in a way that enables payer data to be obtained through such a number or identification sign. This exception shall not apply in cases when the payer and the payee are natural persons and the transfer of funds does not result from a business activity and transfer of funds or crypto assets that have the features of electronic money tokens;

   c) when the transfer includes services and payment transactions referred to in Article 3 of the Law on Payment Services and Payment Systems (*);

   d) when the payer and the payee are payment service providers acting on their own behalf;

   e) when the payer withdraws cash from their account;

   f) when the transfer of funds is made to pay the payee for telecommunication services, services for electricity, gas, thermal energy and water distribution, waste collection, treatment and disposal, maintenance of residential buildings or other facilities, where the following conditions are met:

- the amount of funds transfer does not exceed a denar equivalent of Euro 1,000 according to the middle exchange rate of the National Bank of the Republic of North Macedonia, on the day of receipt of the money transfer order,

- the payment for services should be made to the payee's payment account used only for this type of payments,

- the payee's payment service provider to be able through the payee, on the basis of a single identification sign of the payment transaction or other data accompanying the transfer of funds, to obtain data on the transfer of funds from the person who has an agreement with the payee in relation to the provision of services referred to in this item,

- the transfer of funds is made within the Republic of North Macedonia and

- when the conditions under Article 14 of this law are met and

g) the person does not perform any activity other than exchanging documents from paper to electronic form or providing another type of support in accordance with an agreement with the payment service provider.".

Article 17

The heading before Article 51, and Article 51 shall be amended and read as follows:

Obligations of the crypto asset service provider of the originator

Article 51

(1) Crypto asset service provider of the originator shall make sure that the crypto asset transfer is accompanied by the following data and information of the sender:

- name and surname, i.e. full name of the originator,

- address of the hosted or unhosted crypto asset electronic wallet and account number, if any and if used for the purposes of the transfer, and if the address, i.e. the account is missing or cannot be identified, it is necessary to determine the single identification sign of the crypto asset transfer, which allows its tracking and

- address, including the name of the country, number of the personal identification document, unique identification number (unique master citizen number) or date and place of birth if the originator is a natural person, i.e. unique identification number (unique business identifier or business identification mark) if the originator is a legal entity.

(2) crypto asset service provider referred to in paragraph (1) of this Article shall make sure that the crypto asset transfer is accompanied by the following data and information of the sender:

- name and surname, i.e. full name of the beneficiary,

- address of the hosted or unhosted crypto asset electronic wallet and account number, if any and if used for the purposes of the transfer, and if the address, i.e. the account is missing or cannot be identified, it is necessary to determine the single identification code of the crypto asset transfer, which allows its tracking and

- unique identification number (unique business identifier or business identification mark) if the originator is a legal entity.

(3) The crypto asset service providers shall forward the data referred to in paragraphs (1) and (2) of this Article before or during the crypto asset transfer and in a way that ensures data reliability and protection against unauthorized access, not limited to being an integral part of the transmission.

(4) By way of derogation from paragraphs (1) and (2) of this Article, in the case of a crypto asset transfer from or to unhosted electronic wallet, the crypto asset service provider of the originator shall make sure that the transfer is accompanied by a uniqueidentification sign.

(5) The crypto asset service providers shall, within the framework of internal procedures and risk assessment, assess whether the payer and payee addresses are controlled by the same person in a crypto asset transfer that exceeds denar equivalent of Euro 1000 according to the middle exchange rate of the National Bank of the Republic of North Macedonia on the day of the transfer, to an unhosted crypto asset electronic wallet.

(6) The crypto asset service provider shall confirm the accuracy of originator's data provided in accordance with Articles 15, 16, 17, 18 and 19 of this law, before transferring the crypto assets.

(7) The crypto asset service provider is considered to have confirmed the accuracy of received originator's data before the transfer of crypto assets, if it has previously established a business relationship with the payer and identified and confirmed their identity in accordance with Articles 15, 16, 17, 18 and 19 of this law and if it acted in accordance with Article 37 of this law.

(8) The sender's crypto asset service provider shall not transfer the crypto assets before making sure that there is full compliance with the conditions provided for in this Article.

(9) In the case of a batch file transfer by a sender, the individual crypto asset transfers that are part of such transfer do not have to contain the data from paragraphs (2) and (3) of this Article, provided that the data specified in paragraphs (6) and (7) of this Article are included in the aggregate transfer and that each individual assets transfer includes at least the single identification sign of the transaction.".

Article 18

Article 51 shall be followed by four new Articles 51-a, 51-b, 51-c and 51-d, that read as follows:

Obligations of the crypto asset service provider of the beneficiary

Article 51-a

(1) The crypto asset service provider of the beneficiary shall develop and apply procedures for verifying the completeness of data under Article 51 paragraphs (1), (2), (3) and (4) of this law during or after the transfer to confirm whether the data of the originator and the beneficiary or the data under Article 51 paragraph (9) of this law are provided.

(2) In the case of crypto asset transfer from an unhosted electronic wallet, the user's crypto asset service provider shall provide and keep the data under Article 51 paragraphs (1) and (2) of this law and make sure that the crypto asset transfer is identifiable.

(3) Crypto asset service provider of the beneficiary shall, adhering to the internal procedures and risk assessment, assess whether the sender and user addresses are controlled by the same person in case of a crypto asset transfer that exceeds denar equivalent of Euro 1000 according to the middle exchange rate of the National Bank of the Republic of North Macedonia on the day of the transfer, from an unhosted crypto asset electronic wallet.

(4) The crypto asset service provider shall, before making crypto assets available to the user, verify the accuracy of beneficiary information under Article 51 paragraph (2) of this law on the basis of data and information from reliable and independent sources.

(5) Data shall be considered verified under paragraph (4) of this Article when the crypto asset service provider referred to in this Article has properly applied the provisions of this law that refer to the client due diligence, continuous monitoring of business relationship and the storage of data and information provided by this law.

Obligations at crypto asset transfer in case of incomplete data

Article 51-b

(1) The crypto asset service provider of the beneficiary shall establish and apply procedures for crypto asset transfer that do not include complete data as specified in Article 51 of this Law, by applying risk based approach.

(2) When the crypto asset transfer does not include complete data as required in Article 51 of this law, in accordance with the risk assessment, the user's crypto asset service provider shall, in its procedures referred to in paragraph (1) of this Article, determine the cases in which it shall:

- refuse to transfer crypto assets;

- return the crypto assets to the originator or

- request the missing data from the crypto asset service provider before making them available to the user.

(3) If the crypto asset service provider constantly fails to provide accurate and complete data as required in Article 51 of this Law, the user's crypto asset service provider shall, at the crypto asset transfer, warn them thereon, notifying them about the completion deadline for the obligations under this Law. If the crypto asset service provider fails to meet the obligations prescribed in this Law, after receiving such warning and after the expiration of the specified deadline, the user's crypto asset service provider shall refuse any future transfers of crypto assets or limit or terminate the business cooperation with the crypto asset service provider.

(4) In the cases referred to in paragraph (3) of this Article, the crypto asset service provider of the beneficiary shall:

- inform the competent authority, in accordance with the law, about the crypto asset service provider who fails to provide accurate and complete data under Article 51 of this Law and about all the measures taken against them as specified in paragraph (3) of this Article and

- determine whether the lack of accurate and complete data under Article 51 of this Law and the existence of other circumstances, point to suspicion of money laundering or financing of terrorism, and shall submit a report thereon to the Office in accordance with Article 65 of this Law.

Obligations for the intermediary crypto asset service provider
Article 51-c

(1) The intermediary crypto asset service provider in the crypto asset transfer between the crypto asset service provider of the originator and the beneficiary, shall ensure that the data and information about the sender and the user under Article 51 of this law, that accompany the crypto asset transfer shall be transferred together with the crypto asset transfer or the aggregate crypto asset transfer, including a crypto asset transfer from or to an unhosted crypto asset electronic wallet.

(2) The intermediary crypto asset service provider under paragraph (1) of this Article shall keep the data and information about the originator and the beneficiary within the period specified in Article 62 of this law and, if necessary, made them available to the supervisory authorities under Article 151 of this law at their request.

(3) The intermediary crypto asset service provider under paragraph (1) of this law shall establish and apply procedures using the risk-based approach, in cases when the electronic message for crypto asset transfer does not include the data referred to in Article 51 of this Law.

(4) When the crypto asset transfer does not include complete data as required in Article 51 of this law, in accordance with the risk assessment, the intermediary crypto asset service provider under paragraph (1) of this Article shall, in its procedures, determine cases in which it shall:

-   refuse to transfer crypto assets;

-   return the crypto assets to the originator or

-   request the missing data from the crypto asset service provider before the transfer.

(5) If the sender's crypto asset service provider fails to provide accurate and complete data as required in Article 51 of this Law, the intermediary crypto asset service provider shall, at the crypto asset transfer, warn them thereon, notifying them about the completion deadline for the obligations under this Law. If the originator's crypto asset service provider fails to meet the obligations under this Law, after receiving such warning and after the expiration of the specified deadline, the intermediary crypto asset service provider in the crypto asset transfer shall refuse any future crypto asset transfers or limit or terminate the business cooperation with them.

(6) In the cases under paragraph (5) of this Article, the intermediary crypto asset service provider referred to in paragraph (1), in the crypto asset transfer shall:

-   inform the competent authority, in accordance with the law, about the crypto asset service provider who fails to provide accurate and complete data under Article 51 of this Law and about all the measures taken against them as specified in paragraph (5) of this Article and

-   determine whether the lack of accurate and complete data under Article 51 of this Law and the existence of other circumstances, point to suspicion of money laundering or financing of terrorism, and shall submit a report thereon to the Office in accordance with Article 65 of this Law.

Exceptions to the transfer of crypto assets
Article 51-d

The provisions referred to in Articles 51, 51-a, 51-b and 51-c of this Law shall not apply in the following cases:
a) when transferring crypto assets between crypto assets service providers that carry out this transfer on their own behalf and account and
b) when transferring crypto assets between unhosted electronic wallets for crypto assets that are performed as a transfer of crypto assets that does not include a crypto assets service provider.".

Article 19

In Article 58 paragraph (1) the words "payment services, unless otherwise regulated by another law" shall be replaced by the words "payment services".

Article 20

In Article 59, paragraph (2) shall be followed by a new paragraph (3), that reads as follows:
"(3) Financial institutions and crypto assets service providers from paragraph (1) of this Article shall be obliged to ensure that the financial institution with which it has a correspondent business cooperation prohibits the use of its accounts by shell banks.".

Article 21

In Article 62 paragraph (4) the words "Articles 50 and 51" shall be replaced with the words "Articles 50, 50-a, 50-b, 50-c, 50-d, 51, 51-a, 51-b and 51-c".

In paragraph (9) the words "paragraph (1)" shall be replaced with the words "paragraphs (1) and (2)".

Article 22

Article 67 shall be followed by a new Article 67-a that reads as follows:
"Safe ways to deliver data and information to the competent authorities
Article 67-a

(1) Unless otherwise prescribed by another law, the subjects are obliged to provide the data and the information to the competent authorities from Articles 130 and 151 of this law to deliver via protected electronic means. If this method of delivery is disabled for technical reasons, the data and information subjects submit in writing.
(2) The competent authorities from paragraph (1) of this Article may not reveal the subject and the identity of the employee in the entity that submits the data and information, except in the cases where there is a suspicion that the employee or subject committed criminal offense of money laundering and/or terrorist financing, upon request in writing form of the competent court when it is necessary to establish facts during criminal proceedings.".

Article 23

In Article 72, paragraph (5) shall be followed by a new paragraph (6) that reads as follows:
"6) It is not considered disclosure of data and information if the entities under Article 5 of this law indicate to the client the consequences of engaging in or performing activities contrary to the law.".

Article 24

In Article 73, paragraph (3) shall be followed by two new paragraphs (4) and (5) that read as follows:

"(4) It is prohibited for the persons or the working authority and the employees of the entities, as well as the supervisory authorities under Article 151 paragraph (1) of this law, who submitted information or reports regarding suspicious transactions to the Administration to be exposed to threats, retaliatory or hostile, adverse or discriminatory employment practices.
(5) The persons or the working authority and the employees of the entities, as well as the supervisory authorities referred to in Article 151 paragraph (1) of this law, who submitted information or reports regarding suspicious transactions to the Administration, and who are exposed to threats, retaliatory or hostile actions or negative or discriminatory actions in the employment relationship due to reporting suspicions of money laundering or terrorist financing are entitled to an effective remedy to protect their rights under the law.".

Article 25

In Article 129 paragraph (1) item 15) the words "Ministry of Labor and Social Policy" shall be replaced with the words "Ministry of Social Policy, Demography, and Youth".

In item 19), the wording "Ministry of Economy" shall be followed by the wording "and Labor".

Item 21) shall be amended and read as follows:

"Competent authority in accordance with the law for maintaining the Central Register of Population, data on a natural person (name, surname and NINC) from the Central Register of Population and".

After item 21), a new item 22) shall be added that reads as follows:

"22) Bureau of Public Procurement data on a natural person (name, surname and NINC) and legal entity (name, UCIN and STN) who concluded a contract for public procurement.".

Article 26

In Article 130 paragraph (3) the word "supplemented" shall be followed by the words "and shall notify it that it will not act on the submitted initiative if the competent authority does not act within the deadline set by the Administration, which cannot be longer than ten working days".

Paragraph (4) shall be deleted.

Paragraph (5) shall become paragraph (4).

Paragraph (6) which becomes paragraph (5) shall be amended and read as follows:

"(5) The Administration can submit data in the form of a response to the authority from paragraph (1) of this Article that submitted the initiative in cases when the elements from Article 131 paragraphs (1) and (4) of this Law have not been established.".

In paragraph (7) which becomes paragraph (6) the word "Article" shall be followed by the words "and of Article 151 paragraph (1) of this Law".

Article 27

In Article 131 paragraph (4) the word "crime" shall be replaced with the word "crime" (the amendment to the Macedonian version does not affect the English version).

Article 28

In Article 144, paragraph (3) shall be followed by a new paragraph (4) that reads as follows:

"(4) Following the request referred to in paragraph (1) of this Article, the Administration acts promptly and without delay.".

Paragraphs (4), (5) and (6) shall become paragraphs (5), (6) and (7).

Article 29

In Article 148, the words "international communications systems" shall be followed by the words "through an appointed person/s employed in the Administration - financial intelligence officer/s".

Article 30

In Article 151, paragraph (8) shall be followed by a new paragraph (9) that reads as follows:

"(9) The supervisory authorities of this Article, when they identify violations that are subject to criminal sanctions, shall be obliged to promptly notify the Public Prosecutor's Office.".

Article 31

The heading before Article 153 shall be amended and read as follows:

"Special competences".

Article 32

In Article 153 paragraph (1) shall be amended and read as follows:

"The supervisory body from this law or another competent authority, if based on another law issues licenses to entities in accordance with Article 5 of this Law, authorizations of entities in order to confirm the compliance with the prescribed conditions for issuing a work permit, i.e. approvals or functions of a member of the managing body in accordance with the regulations, is obliged to procure ex officio on convictions data, i.e. non-convictions of persons in connection with whom the fulfillment of the conditions for persons having a reputation or for their associates is checked, unless otherwise regulated by another Law.".

Article 33

In Article 158, a new paragraph (2) shall be added, that reads as follows:
"(2) The information that the persons referred to in paragraph (1) of this Article receive during the performance of their competences in accordance with this law may be published only in aggregate form, in such a way that individual financial institutions cannot be identified.

Article 34

In Article 162, paragraph (4) shall be followed by a new paragraph (5) that reads as follows:
"(5) If the entity that is subject to supervision, i.e. the responsible person in the entity or the representative of the entity, refuses to receive and/or sign the supervision order or does not act on the supervision order, the financial intelligence officer will compile a written note in which he/she will state the reasons for the refusal, non-signing or failure to act on the supervision order.".

Article 35

In Article 165 paragraph (3) the word "ten" shall be followed by the word "working".

Article 36

In Article 174, paragraph (2) shall be followed by two new paragraphs (3) and (4) that read as follows:

"(3) It is prohibited for the persons from paragraph (1) of this Article who reported breach of the provisions of this Law to be exposed to threats, retaliatory or hostile, adverse or discriminatory employment practices.
(4) The persons from paragraph (1) of this Article who reported breach of the provisions of this Law, and who are exposed to threats, retaliatory or hostile actions or negative or discriminatory actions in the employment relationship due to reporting suspicions of money laundering or terrorist financing are entitled to an effective remedy to protect their rights under the law.".

Article 37

In Article 175 paragraph (3) the word "three" shall be replaced with the word "five".
Paragraph (3) shall be followed by two new paragraphs (4) and (5) that read as follows:

"(4) When a supervisory authority from Article 151 paragraph (1) of this law, and during an individual assessment of a specific case, considers that the publication of data on the perpetrator of the misdemeanor is disproportionate to the goal to be achieved or where publication jeopardizes the stability of financial markets or an on-going investigation, it may:
a) delay the publication of the decision from paragraph (1) of this Article until the moment at which the reasons for not publishing it cease to exist;
b) publish the decision from paragraph (1) of this Article in a way that does not share personal data or
c) not publish the decision from paragraph (1) of this Article at all.

(5) The supervisory authorities referred to in Article 151 paragraph (1) of this Law shall publish the decisions against which an appeal has been submitted on their website, and shall immediately publish the information in relation to the submitted appeal and all subsequent information related to the decision, including annulment of the previously adopted decision.".

Article 38

In Article 182, two new paragraphs (2) and (3) shall be added, that read as follows:

"(2) The processing of personal data for the purposes of anti-money laundering and combating the financing of terrorism is of public interest.

(3) The right of access to the client's personal data may be partially or completely limited by the entity, in order to:
- the subject or the competent authority to perform its competences and
- in order to avoid obstructing the conduct of a procedure for the detection of money laundering and financing of terrorism.".

Article 39

In Article 186 paragraph (1) indent 15 the full stop at the end of the sentence shall be replaced with the conjunction "and".
Indent 15 shall be followed by a new indent 16 that reads as follows:

"- refuses to receive and/or sign the supervision order or does not act on the supervision order in accordance with Article 162 paragraph (5) of this Law.".

Paragraph (11) shall be amended and read as follows:
"For the actions referred to in paragraph (1) of this Article committed intentionally, in an organized manner or which are repeated, with which significant damage is caused or significant property benefit is acquired, the entity from Article 5 of this Law, with the exception of financial institutions, shall be imposed a fine in the maximum double amount of the realized benefit or if it is not possible to determine such benefit, at least Euro 1,000,000 in denar counter-value.".
Paragraph (11) shall be followed by three new paragraphs (12), (13) and (14) that read as follows:
"(12) As an exception to paragraph (11) of this Article, for the actions referred to in paragraph (1) of this Article committed intentionally, in an organized manner or which are repeated, with which significant damage is caused or significant property benefit is acquired, the entity from Article 5 of this Law - financial institution shall be imposed a fine in the amount of 10% of the income generated in the previous fiscal year or at least Euro 5,000,000 in denar counter-value.
(13) Besides the fines referred to in paragraphs (11) and (12) of this Article, the entity referred to in Article 5 of this Law may also be imposed an infraction sanction temporary ban on performing certain activity in accordance with the law, and the responsible person shall also be imposed an infraction sanction ban on performing a profession, activity or duty in accordance with the law.
(14) For the activities referred to in paragraphs (11) and (12) of this Article, the entity referred to in Article 5 of this Law that benefits shall be imposed a fine and if the actions referred to in paragraphs (11) and (12) of this Article are committed by:
- a natural person who acted individually or as a member of a body of the legal entity and is a senior management in the legal entity or
- a natural person employed in the legal entity, due to the absence of control by a natural person who is a senior management in the legal entity.".

Article 40

In Article 187 paragraph (1) indent 21 shall be amended and read as follows:
" - does not act in accordance with Articles 50, 50-a, 50-b, 50-c, 50-d and 50-e of this Law,".

Indent 22 shall be amended and read as follows:
" - it does not act in accordance with Articles 51, 51-a, 51-b, 51-c and 51-d of this Law,".

In indent 45, the full stop at the end of the sentence shall be replaced with the conjunction "and".
Indent 45 shall be followed by a new indent 46 that reads as follows:
"- does not submit to the Administration the required data, information and documentation in accordance with Article 161 paragraph (2) of this Law.".

Article 41

In Article 189 paragraph (1) indent 9 the full stop at the end of the sentence shall be replaced with the conjunction "and".
Indent 9 shall be followed by a new indent 10 that reads as follows:
"- refuses to receive and/or sign the supervision order or does not act on the supervision order in accordance with Article 162 paragraph (5) of this Law."

Paragraph (2) shall be followed by a new paragraph (3) that reads as follows:
"For the actions referred to in paragraph (1) of this Article committed intentionally, in an organized manner or which are repeated, with which significant damage is caused or significant property benefit is acquired, the person who performs a public authorization or the natural person shall be imposed a fine in the maximum double amount of the realized benefit or if it is not possible to determine such benefit, at least Euro 1,000,000 in denar counter-value.".

Article 42

In Article 192 paragraph (1) indent 1 the conjunction "and" at the end of the sentence shall be replaced with a comma.

In indent 2, the full stop at the end of the sentence shall be replaced with the conjunction "and".
Indent 2 shall be followed by a new indent 3 that reads as follows:
"- refuses to receive and/or sign the supervision order or does not act on the supervision order in accordance with Article 162 paragraph (5) of this Law.".

Article 43

Article 192 shall be followed by a new Article 192-a that reads as follows:

"Article 192-a

A fine in the amount of Euro 10,000 to Euro 15,000 in denar counter-value shall be imposed for a misdemeanor on him/her for the offense of a manager/trustee of a trust or similar legal arrangement, a person acting on behalf of and for the account of a trust from Article 22 of this law, if they:

- do not inform the entity and do not provide information supported by documents that they act in that capacity, as well as provide information about the identity of persons specified in Article 22 of this Law,
- do not possess and keep adequate, accurate and up-to-date data on the beneficial owner in accordance with Article 28 of this Law and
- did not enter the data on the beneficial owner/s, as well as the data on the changes of beneficial owner/s in the register according to Article 31 of this Law.".

Article 44

In Article 194 indent 12 the conjunction "and" at the end of the sentence shall be replaced with a comma.

In indent 13, the full stop at the end of the sentence shall be replaced with the conjunction "and".

Indent 13 shall be followed by a new indent 14 that reads as follows:

"- refuses to receive and/or sign the supervision order or does not act on the supervision order in accordance with Article 162 paragraph (5) of this Law.".

Article 45

In Article 197, a new paragraph (2) shall be added, that reads as follows:
"(2) When determining the offenses in the procedure from paragraph (1) of this Article, the competent court shall decide in accordance with the provisions of this Law.".

Article 46

In Article 206 paragraph (2) the words "1 January, 2025" shall be replaced with the words "1 January, 2026".

Article 47

The provisions of Article 11 of this Law, which in Article 31 amend paragraph (2), shall start to be applied from 1 January 2025.

Article 48

This Law shall enter into force on the date of its publication in the Official Gazette of the Republic of North Macedonia.