

LAW

PREVENTION OF MONEY LAUNDERING

Pursuant to the Constitution of the Socialist Republic of Vietnam dated 1992 supplemented and supplemented by a number of Articles according to the Resolution No. 51/2001/QH10;

The National Assembly has promulgated the Law on Prevention of money laundering.

Chapter 1

GENERAL REGULATIONS

Article 1. Scope of adjustment

1. This Law stipulates the measures to prevent, detect, stop and handle the organizations and individuals with the acts of money laundering, the responsibilities of agencies, organizations and individuals in the prevention of money laundering and international cooperation on anti-money laundering.
2. The prevention of money laundering in order to fund the terrorism shall comply with this Law, regulations of the Penal Code and the law on prevention terrorism.

Article 2. Subjects of application

1. Financial organizations
2. The organizations and individuals that are doing business in relevant financial sectors.
3. The organizations and individuals and foreigners living in Vietnam or the foreign organizations, international organizations and non-governmental organizations operating in the Vietnamese territory have the financial transactions and other property transactions with the organizations and individuals prescribed in clause 1 and clause of this Article.
4. Other organizations and individuals related to the prevention of money laundering.

Article 3. Applying the Law on prevention of money laundering, the relevant laws and International agreements.

The prevention, detection, stopping and handling of the acts of money laundering comply with the provisions of this Law and other provisions of the relevant law, except other provisions for the International agreements in which the Socialist Republic of Vietnam is a member.

Article 4. Explanation of terms

In this Law, the following terms are construed as follows:

1. Money laundering is the acts of the individuals and organizations in order to legalize the origin of the property created by the crimes including:
 - a) The acts are regulated in the Penal Code;
Supporting the organizations and individuals related to the crime in order to avoid the legal liability by the legalization of the property origin generated by the crime;
 - c) Possessing the property if at the time of receipt of the property being aware of that property due to criminal activity to legalize the origin of property.

2. Property includes things, money, valuable papers and property rights under the provisions of the Civil Code, may exist in the form of material or immaterial; movable and immovable property, tangible or intangible property; the documents or legal instruments evidencing the ownership or the interests of such property.

3. Financial organization is an organization granted the license to carry out one or a number of the following operations:

- a) Receiving deposits;
- b) Making loan;
- c) Financial leasing;
- d) Payment service;
- dd) Issuing the instruments of assignment, credit cards, debit cards, money orders, electronic money;
- e) Banking guarantee and financial undertaking;
- g) Providing foreign exchange services and monetary instruments on the money market; Consulting and guaranteeing the securities issuance and agency of securities distribution;
- i) Managing the investment capital portfolio;
- k) Managing cash or securities for other organizations and individuals;
- l) Providing insurance services and investment operation related to the life insurance;
- m) Money change.

4. The organizations and individuals that are doing business in the relevant non-financial sector are the organizations and individuals carrying out one or a number of operations as follows:

- a) Doing business in games with prizes, casino;
- b) Doing business in the services of real estate management, the brokerage of real estate, real estate trading floor;
- c) Trading in precious metal and stone;
- d) Providing notary and accounting service, the lawyer's legal service and lawyer practice organization;
- dd) Investment trust services, services of establishment, management and executive of enterprise; services of director and secretary provision of the enterprise to a third party.

5. Accounting subjects the organizations and individuals prescribed in clause 3 and 4 of this Article.

6. Suspicious transactions are the transactions with unusual signs or the reasonable grounds to suspect the property in transaction has derived from criminal activity or related to money laundering.

7. High value transactions are transactions in cash, gold or foreign currencies with a total value equal to or exceeding the rate prescribed by the State management agencies are done once or several times in a day.

8. Clients are the organizations and individuals that are using and have intention to use the service or products provided by the financial organizations and individuals doing business in relevant non-financial sectors.

9. Beneficial owner is the individual having the actual ownership of an account and having the governing right when the clients perform the transactions for this individual or the individual having the governing right over a legal entity or an investment trust agreement;

10. Agent banking relationship is the operation of banking services, payment and other services of a bank in a country or territory for a partner bank in another country, other territory.

11. Originator is the account holder or the person who requires the financial institution to carry out the transfer of electronic money in case of no account.

12. Blacklist is a list of organizations and individuals linked to terrorism and terrorism financing made by the Ministry of Public Security in accordance with the law.

13. Warning list is a list of organizations and individuals made by the State Bank of Vietnam to warn organizations and individuals with high risk of money laundering.

14. Business operations through the introduction is a business with Clients through the introduction of an intermediary that is another financial organization in the same group or corporation or through brokerage service supply organization.

15. Financial Action Task Force is an intergovernmental organization promulgating the standards and promoting the effective implementation of legal measures, management and actions to prevent the money laundering, terrorism financing and funding proliferation of weapons of mass destruction and other related hazards threatening the integrity of the global financial system.

16. Authorization agreement means an agreement authorization by the organizations or individuals to the other organizations and individuals to perform transactions related to property owned or managed by the authorizing organizations and individuals.

Article 5. Principles of prevention of money laundering.

1. The prevention of money laundering must comply with the law on the basis of ensuring the sovereignty, national security, the normal operation of the economy and investment, protection of legitimate rights and interests of organizations and individuals, opposing abuse of power, taking advantage of the prevention of money laundering to infringe upon the lawful rights and interests of organizations and individuals concerned.

2. The measures to prevent money laundering must be made synchronously and in a timely manner; the acts of money laundering must be dealt with severely.

Article 6. State policy on prevention of money laundering.

1. Prevention of money laundering is the responsibility of the State and other state agencies. The State encourages the domestic and foreign organizations and individuals to participate, coordinate and finance the prevention of money laundering.

2. Protecting the legal rights and interests of the organizations and individuals participating in the prevention of money laundering.

3. Promulgating the policies to promote the international cooperation in the prevention of money laundering.

4. The organizations and individuals having the achievements in the prevention of money laundering are rewarded by the State.

Article 7. Prohibited acts

1. Organizing and taking part or creating conditions to carry out the acts of money laundering.

2. Opening or maintaining anonymous accounts or accounts using false names.

3. Establishing and maintaining business relationships with the banks established in a country or territory, but not being present tangibly in that country or territory and not subject to the management and supervision of the competent management agencies.

4. Illegally providing the services of cash, check and other currency instruments receiving or the valuable storage instrument and making payments to the beneficiaries at another location.

5. Abusing the positions and powers in the prevention of money laundering to infringe upon the legitimate rights and interests of organizations and individuals.

6. Hindering the provision of information for the prevention of money laundering.

7. Threatening or taking revenge of the person detecting, providing information, reports and denunciations to the acts of money laundering.

Chapter II

MEASURES OF PREVENTION OF MONEY LAUNDERING

Section 1. CLIENTS IDENTIFICATION AND UPDATE OF CLIENTS INFORMATION

Article 8. Client identification

1. The financial organizations must apply the measures to identify clients in the following cases:

- a) The clients open accounts or set up transactions with the financial organizations;
- b) The clients who make infrequent transactions of high value or carry out the transaction of electronic money transfer but lack the information about the name, address, account number of the originator;
- c) There is doubt of transaction or the parties concerned in transactions are related to the money laundering;
- d) There are doubts about the accuracy or completeness of the Clients identification information previously collected.

2. Organizations and individuals doing business in the relevant non-financial sectors must apply the measures to identify Clients in the following cases:

- a) Organizations and individuals doing business in sectors specified in clause 4, Article 4 of this Law shall take all measures to identify Clients for the Clients of high value transactions;
- b) Organizations and individuals doing business in sectors prescribed in Clause 4, Article 4 of this Law shall apply measures to identify Clients when providing the services of brokerage, purchase, sale and management of real estate for Clients;
- c) Organizations and individuals doing business in sectors prescribed at Point c, Clause 4, Article 4 of this Law shall apply the measures to identify Clients in case the Clients perform the transactions of purchase and sale of precious metals and gems of great value in cash;
- d) Organizations and individuals doing business in sectors prescribed at Point d, Clause 4, Article 4 of this Law shall apply measures to identify Clients when they, on behalf of Clients, prepare the conditions for conducting the transactions to transfer the land use right, house ownership, management of money and securities or other assets of the Clients; managing the Clients' accounts at banks, securities companies; administrating and and managing the operation of the Clients' companies, and participating in the activities of purchase and sale of business organizations;
- dd) The service supply organizations specified at Point d, Clause 4, Article 4 of this Law shall apply measures to identify Clients when providing services of company establishment; supplying director and secretary of enterprises; supplying registration office, address or place of business; supplying services of company representative, investment trust and the services of representative supply for shareholders.

Article 9. Clients identification Information

The Clients identification information must have the following main information:

1. Clients identification Information:

a) For individual Clients as a Vietnamese: the full name, date of birth, nationality, occupation, position; phone number, identity card number or passport number, date and place of issue and address of permanent residence and current residence.

For individual Clients as a foreigner: the full name, date of birth, nationality, occupation, position; passport number, date and place of issue, visa, address of residence abroad and address of residence in Vietnam;

b) For Clients as an organization: full and abbreviated trading name, addresses of head office, phone number, fax number; areas of operations and business; information on the founder and representative specified at point a of this clause.

2. Information on the beneficial owner:

a) Reporting subject must identify the beneficial owner and apply the measures to identify and update the information on beneficial owner;

b) For Clients as a legal entity or upon the provision of authorization agreement service, the reporting subjects must collect information on ownership and control structure to determine the individual with the control interest and the govern the operation of that legal entity or authorization agreement.

3. The purpose of the Clients in relation to the reporting subject.

Article 10. Update of Clients identification information

The reporting subject must regularly update the Clients identification information during the time to establish the relations with Clients ensuring that the transactions the Clients are conducting through the reporting subject in accordance with the information already known about the Clients, about the business operation, the risks and the origin of Clients' property.

Article 11. Measure to verify the Clients identification information

1. The reporting subjects use the materials and data to verify the Clients identification information including:

a) For Clients as an individual: identity card, valid passport and other documents issued by the competent authority;

b) For Clients as an organizations: The license or establishment decision; the decision on the name change, separation, consolidation, certificate of business registration; the decision of appointment or the general directors (directors) and chief accountant hire contract.

2. The reporting subjects through other organizations or individuals who have had the relations with Clients; or through management agency or competent state agency to collect and collect information and compare with that provided by the Clients.

3. The reporting subjects may hire other organizations to verify Clients identification information. In this case, the reporting subjects must ensure that the hired organization shall comply with the identification and update of Clients information specified in Article 9 and Article 10 of this Law and be responsible for identification and update of Clients information.

Article 12. Classification of Clients according to the risk level

1. The reporting subjects must develop regulations on Clients classification on the basis of risk by type of Clients, product, used Clients service, place of residence or location of headquarter of the Clients.

2. For Clients with low risk levels, the reporting subjects can apply the measures to identify Clients at a lower level but must ensure the full collection of Clients information specified in Article 9 of this Law.

3. For Clients doing transaction with high risk levels specified in Articles 13, 14, 15, 16 and 17 of this Law, in addition to the implementation of measures to identify the provisions of Article 9 of this Law, the reporting subjects must apply the measures of intensive assessment in accordance with this Law.

4. For Clients with other transactions with a high level of risk do not fall under the case prescribed in Clause 3 of this Article, in addition to the implementation of measures to identify the provisions of Article 9 of this Law, the reportingsubjects must apply the measures of intensive assessment in accordance with the State Bank of Vietnam.

Article 13. Foreign Clients as individual of political influence

1. The foreign Clients as individual of political influence is the person who holds the senior position in foreign agencies and organizations concerned.

The State Bank of Vietnam announced the list of foreign Clients who are individuals with political influence stipulated in this clause specified on the basis of recommendation of the international organizations on the prevention of money laundering.

2. The reporting subjects must have risk management system to identify the foreign clients with political influence and apply the following measures:

- a) Developing the internal control regulations for the opening of accounts or setting of the transactions when the clients or the beneficial owners are determined to have the political influence;
- b) Taking the measures in order to identify the origin of clients' property;
- c) Strengthening client supervision and business relations with the clients

3. The reporting subjects must apply the measures prescribed in Clause 2 of this article for the clients as a father, mother, wife, husband, son, sibling brother and sister of the persons specified in paragraph 1 of this Article.

Article 14. Banking agent relation

The reporting subjects when establishing the banking agent relation with the foreign banking partner must apply the following measures:

1. Gathering information about the banking partner to fully know the nature of business, the partner bank's reputation and ensure the partner bank must be subject to supervision and management of the foreign competent management agencies;
2. Assessing the implementation of measures on prevention of money laundering of the partner bank;
3. Must be approved by the General Director (Director) or authorization persons of the reporting subjects before setting up the banking agent relations;
4. In case the partner bank's clients can make payment through the partner bank's accounts opened at the reporting subjects, the report subjects must ensure the partner bank to have fully implemented the identification, update of client information and able to provide client identification information as required by the reporting objects.

Article 15. Transaction in relation with new technology.

1. The reporting subjects must issue the process for the following purposes:

- a) Detection and prevention of the use of new technology into the money laundering;
- b) Management on the risk of money laundering upon setting up the transaction with the clients who use new technology and not face to face.

2. The process stipulated in Clause 1 of this Article shall ensure the update of client information is effective as the update of client information face to face.

Article 16. Special supervision for a number of transactions

1. The reporting subjects must perform the special supervision for a number of transactions as follows:

- a) Making transactions with unusually or complexly large value;
- b) Making transactions with the organizations and individuals in the countries and territories in the list announced by the Financial Action Task Force in the prevention of money laundering or the warning list.

2. The reporting subjects must examine the legal grounds and purpose of the transactions in case of doubt about the honesty and the purpose of transaction, the reporting subjects must make reports on suspicious transactions and send to the State Bank of Vietnam and may reject those transactions.

Article 17. Business operation through introduction

1. Upon conducting the business operation through introduction, the reporting subjects can identify the clients through intermediary and ensure the following requirements:

a) The intermediary must collect, store and provide timely and sufficient client identification information to the reporting subjects as required;

b) The intermediary must comply with the requirements of identification and update of client information as prescribed in Article 9 and Article 10 of this Law or the recommendations of the Financial Action Task Force in the event the intermediary is a foreign organization;

c) The intermediary must be subject to the management and supervision of the competent authorities.

2. The client identification through intermediary does not exclude the responsibility of the reporting subjects in the identification, update of client information.

Article 18. Guaranteeing the transparency of legal person and authorization agreement

1. The Stock Exchange shall maintain and update basic information on organizational structure, the founder, beneficial owner of the listed enterprises.

2. The business registration agency shall keep and update basic information on organizational structure, the founder, beneficial owner of the non-listed enterprises.

3. Organizations and individuals providing legal services on drafting authorization agreements to the clients shall keep, maintain and update information about the authorization agreements and the beneficial owner beneficiary under that agreement.

4. The State Bank of Vietnam and other competent state agencies under the provisions of law in the process of performing the functions and tasks on the prevention of money laundering are entitled to request organizations and individuals defined in clause 1, 2 and 3 of this Article for information supply.

Article 19. Guaranteeing the transparency in operation of the non-profit organization

1. The non-profit organizations established or operating in Vietnam must maintain, update records with full of information about the organizations and individuals sponsoring and the organizations or individuals receiving the assistance, the funding amount and purpose for the fund using.

2. The record as specified in clause 1 of this Article shall be fully kept and provided to the competent state agencies upon request.

Article 20. Developing internal rules on the prevention of money laundering

1. Pursuant to the provisions of this Law and other provisions of the relevant law, the reporting subjects must issue the internal regulations on the prevention of money laundering with the following contents:

a) Client acceptance Policy;

b) Processes and procedures to identify clients, verify and update client information;

c) Transactions must be reported;

d) The process of review, detection, handling and reporting of suspicious transactions; the way to communicate with the clients who make suspicious transaction;

dd) Keeping and security of information;

e) Applying the temporary measures and the principles of handling the cases of transaction delay;

g) Reporting regulation and information supply to the State Bank of Vietnam and the competent state agencies;

h) Training the profession in the prevention of money laundering;

i) Internally controlling and auditing the compliance with the policies, regulations, processes and procedures related to the prevention of money laundering, the responsibilities of each individual and division in the implementation of internal rule in the prevention of money laundering.

2. The contents of internal rule must ensure prevention, detection, stopping and effective handling of suspicious activities related to money laundering; appropriate with the organizational structure, operational scale and extent of risk of money laundering in the operation of the reporting subjects and must be disseminated to each individual and division concerned of the reporting subjects.

3. The reporting subjects must make report regularly and assess the internal rule on the prevention of money laundering for consistent amendment and supplementation.

Section 2. RESPONSIBILITY FOR REPORT, PROVISION AND KEEPING OF INFORMATION

Article 21. Report of high value transactions

1. The reporting subjects shall report to the State Bank of Vietnam when implementing high value transactions.

2. On the requirement of the State Bank of Vietnam, the Prime Minister shall prescribe the value rate of high value transactions that must be reported in accordance with the situation of social and economic development of the country in each period.

Article 22. Report of suspicious transactions

1. The reporting subjects shall report to the State Bank of Vietnam upon having suspects or the reasonable grounds to suspect the property in the transaction has derived from the criminal activity or in relation with money laundering. Reports of suspicious transactions are made under the form prescribed by the State Bank of Vietnam.

2. The basic suspicious signs including:

a) The client provides incorrect, incomplete and inconsistent client identification information;

b) The clients persuade the reporting subjects not to make report on the transactions to the competent State agencies;

c) Unable to identify clients by the information provided by the client or the transaction related to a party whose identity cannot be identified.

d) The individual or agency phone number provided by the client agencies can not be contacted or this phone number doesnot exist after opening the account or doing the transaction;

dd) The transactions are done by the order or under the authorization of the organizations and individuals in the warning list;

e) The transactions that through the client identification information or through the consideration of economic and legal grounds of the transaction can be determined the relationship between the parties taking part in transaction with the criminal activities or in relation with the organizations and individuals in the warning list;

g) The organizations and individuals involved in transaction with a large amounts inconsistent with the income, business activities of these organizations and individuals;

h) Clients' transactions done through the reporting subjects are not in proper process and procedures as prescribed by law.

3. The suspicious signs in the banking area including:

a) There was a sudden change in the transaction turnover on the account; money deposited into and withdrawn quickly from accounts; high transactions turnover but account balance is very small or zero;

b) The transfer transaction of money of small value from many different accounts to an account or vice versa in a short time; money is transferred through multiple accounts; the parties concerned are

not interested in trading fees; doing multiple transactions, each transaction is near the large value rate that must be reported;

c) Using letters of credit and other trade financing methods of great value, the discount rate with the higher value than normal;

d) Clients who open multiple accounts at foreign credit organization, bank branches in other geographical areas different from the place where clients are residing, working or doing business activities;

dd) The client's account is not traded over a year, and is traded back without plausible reasons; client's account without any transaction suddenly gets a cash deposit or money transfer of great value;

e) Transfer of money from account of enterprise overseas after receiving a lot of small amounts of money transferred by electronic money transfer, checks or drafts;

g) Enterprises with foreign investment capital transfer money overseas immediately after receiving the investment capital or transfer money overseas not in accordance with the business activities; foreign enterprises transferring money overseas immediately after receiving money from abroad transferred into accounts opened at foreign credit organization, bank branches operating in Vietnam;

h) The clients often change money with small denominations into larger denominations;

i) Transaction of deposit, withdrawal or transfer of money made by organizations or individuals associated with the crimes creating illegal property published on mass media;

k) The client requests to borrow the maximum amount allowed based on the contracts of single-premium right after the premium payment, except for the case required by the credit organization;

l) Information about the origin of property used for financing, investment, loan, financial leasing or investment trust of clients is not clear and transparent;

m) Information about the origin of the security property of the clients asking for capital loan is not clear and transparent.

4. The suspicious signs in the area of insurance business including:

a) Client requires to purchase an insurance contract of great value or requires the package payment of the single premium for insurance products that do not apply the package payment, while the current insurance contracts of the client only have small value and periodic payments;

b) The client requires to sign insurance contracts with periodic premiums inconsistent with current income of the client or requires to purchase the insurance contracts related to the business outside the normal business activities of the client;

c) The buyer of insurance contract and makes payment from the account that is not his account or by the instrument of transfer without name recorded;

d) The client requests to change the beneficiary appointed or by the person who has unclear relationship with the buyer of insurance contracts;

dd) The client accepts all unfavourable conditions not related to his age and health; client requires to buy insurance with no clear purpose and reluctantly provides the reason to participate in insurance; the conditions and value of insurance contracts are contrary to the client's needs;

e) The client cancels the insurance contract right after and asks for a transfer of money to a third party; the client regularly participates in insurance and assigns the insurance contract to a third party;

g) The client is an enterprise having a number of insurance contracts for employees or the premium of the single-premium contract abnormally increases;

h) The insurance enterprise often pays the premium with a large amount to the same customer.

5. The suspicious signs in the areas of securities including:

- a) Purchasing or selling securities with abnormal signs in one day or several days done by an organization or individual;
- b) The client makes the transfer of securities outside the system without any plausible reasons;
- c) The securities company transfer money not in accordance with the securities trading activities
- d) The resident transfers a large amount from the securities trading account out of Vietnam;
- dd) The client often sells his portfolio and requires the securities company to make payment by cash or check;
- e) The client invests abnormally in many types of securities in cash or checks in a short period or is willing to invest in the securities portfolio of no benefit;
- g) The client's securities account does not work in a long time but suddenly is invested by a huge investment not in accordance with the financial capacity of the client;
- h) Purchase and sell securities with money from the investment funds opened in the territories that the international organizations classified as high risk for money laundering.

6. Suspicious signs in games with prizes and casino include:

- a) Customer has a sign of constant loss intentionally at the casino;
- b) The client exchanges the number of conventional currency of great value in the casino and the prize-winning electronic game place but does not play or play with a very small amount and then converts back to cash or check, bank draft or transfers money to other accounts;
- c) The client requests to transfer the game winning and prize winning to a third party that has no clear relationship with the customer or when the third party does not have permanent residence with the customer;
- d) The client adds cash or check in the winning amount of game and prize and requires the casino and the prize-winning electronic game place to turn into the checks of great value;
- dd) The client many times a day requires the casino and the prize-winning electronic game place to exchange the number of conventional money into cash;
- e) The client many times a day requires a third party on his behalf to exchange the number of conventional money with great value and asks the third party to play game for him.
- g) The client many times a day purchases lottery tickets, bet tickets, and exchanges the conventional money near the limit of transaction with large value;
- h) The client re-purchases the winning lottery ticket with great value from others.

7. The suspicious signs in the area of real estate business include:

- a) The real estate transactions are authorized transaction but there are no legal grounds;
- b) The client does not pay attention to the price of real estate and the transaction fees to be paid.
- c) The client can not provide information related to real estate or does not want to provide additional personal information;
- d) The price agreed between the parties to the transaction does not match the market price.

8. In actual operation, if detecting the suspicious signs in addition to the basic signs above mentioned, the reporting subject shall make report to the State Bank of Vietnam. Based on the requirements of the prevention of money laundering, the State Bank of Vietnam shall present to the Prime Minister the additional regulations for signs suspicious in clause 2, 3, 4, 5, 6 and 7 of this Article.

Article 23. Report of transaction of electronic money transfer

The reporting subject upon providing the service of electronic money transfer shall report to the State Bank of Vietnam on the transaction of electronic money transfer exceeding the value rate prescribed by the State Bank of Vietnam.

Article 24. Declaring and providing information on the transport of cash, precious metals, gems and negotiable instruments across the borders.

1. Individual upon entry or exit carrying foreign currencies in cash, Vietnam dong in cash, precious metals, gems and negotiable instruments over the level prescribed by the State Bank of Vietnam must make customs declaration.
2. The customs agency shall provide the collected information specified in clause 1 of this Article to the State Bank of Vietnam.

Article 25. Form of report

1. The reporting subject sends the electronic data file or reports in writing when the compatible information technology system has not been established for the requirement to send the electronic data file for the reports specified in the articles 21, 22 and 23 of this Law under the guidance of the State Bank of Vietnam.
2. In necessary case, the reporting subject can make report via fax, phone, e-mail, but must ensure the safety, data security of the reporting information and confirm by one of two forms as prescribed in clause 1 of this Article.
3. For the suspicious transactions report, the reporting subject must attach documents of account opening for the transactions made through the accounts, customer identification information, documents and other materials related to suspicious transactions, the preventive measures that are carried out.

Article 26. Report time limit

1. For the transaction of great value and transaction of electronic money transfer, the reporting subject must:
 - a) Daily report for the form of electronic data file report;
 - b) Report made within 02 working days from the date of transaction generated for the form of written report or other forms of report.
2. For report of suspicious transactions, the reporting subject must make a report within 48 hours from the time of the transaction generated; in case of detecting the transaction requested by the customer with the crime-related signs, the reporting subject must inform immediately the State Bank of Vietnam and the competent State agencies.

Article 27. Time limit for keeping record and report

The reporting subject shall keep records of customer's transactions at least 05 years from the date of the transaction generated; the records of customer identification, accounting documents and reports specified in Articles 21, 22 and 23 of this Law together with the relevant documents and material at least 05 years from the closing date of transaction or the date of closure of accounts or the reporting date.

Article 28. Responsibilities for report and information provision

1. The reporting subject shall provide the record and kept materials and relevant information to the State Bank of Vietnam and competent state agencies as prescribed by this Law or upon request.
2. The agencies, organizations and individuals performing the reporting obligation or information provision as prescribed by this Law shall not be regarded as a violation of the provisions of law on ensuring the secrecy of deposits, property, information on account and customer transactions.

Article 29. Ensuring the secrecy of information and report material

1. Information, documents and other materials related to the transactions to be reported under the provisions of this Law shall be kept under the confidential mode and only be provided to the competent agencies as prescribed by law.
2. The reporting subject must not disclose information about reporting suspicious transactions or relevant information to the State Bank of Vietnam.

Article 30. Report on money laundering for terrorism financing

1. The reporting subject is obliged to promptly report to the competent anti-terrorism authorities, and at the same time send reports to the State Bank of Vietnam upon discovering organizations and individuals to conduct transactions included in the blacklist or when there is evidence that other organizations and individuals commit acts related to the money laundering crime for terrorism financing.
2. Based on the provisions of this Law and the law on the prevention of terrorism, the State Bank of Vietnam stipulates the implementation of report in clause 1 of this Article.

Section 3. COLLECTION, HANDLING AND TRANSFER OF INFORMATION ON PREVENTION OF MONEY LAUNDERING

Article 31. Collection and handling of information

1. Organizations and individuals concerned shall provide the State Bank of Vietnam with the information, documents and records of transactions and other information prescribed by this Law to serve the analysis and transfer of information.
2. Information gained from the information processing as prescribed in Clause 1 of this Article is the confidential information for the prevention of money laundering.

Article 32. Transfer and exchange of information

1. When there are reasonable grounds to suspect that the transactions mentioned in the information and reports related to money laundering, the State Bank of Vietnam shall be responsible for the transfer of information or the case file to the competent investigating authorities.
2. The State Bank of Vietnam shall coordinate and exchange information with the competent authorities in the investigation, prosecution and judgement of the crime of money laundering.
3. The State Bank of Vietnam shall exchange information with the relevant ministries and sectors for the purposes of prevention of money laundering.

Section 4. APPLICATION OF PROVISIONAL MEASURES AND VIOLATION HANDLING

Article 33. Transaction delay

1. The reporting subject must apply measures to delay the transaction when the parties related to the transaction included in the blacklist or there are reasons to believe that the transaction required to be performed related to the criminal activities and must report immediately in writing to the competent State agency.
2. The time limit to take the delay measure for the transaction does not exceed 03 working days from the date of application starting.
3. The reporting subject shall report to the State Bank of Vietnam on the implementation of the provisions of Clause 1 of this Article.

Article 34. Blocking accounts, sealing or temporarily seizing property

The reporting subjects must block the accounts or apply the measures of sealing or temporary seizure of the property of individuals and organizations upon having decision of competent state agencies under the law and make report on the implementation to the State Bank of Vietnam.

Article 35. Violation handling

The organizations that violate the provisions of this Law shall be sanctioned for administrative violations.

The individuals violating the provisions of this Law, depending on the nature and seriousness of the violation, shall be subject to the forms of discipline, administrative sanction or prosecution of criminal liability as prescribed by law.

Where the organizations and individuals violating the provisions of this Law and causing damage and must make compensation as prescribed by law.

Chapter III

RESPONSIBILITIES OF STATE AGENCIES IN THE PREVENTION OF MONEY LAUNDERING

Article 36. Responsibilities of the state management on prevention of money laundering

1. The government has unified the state management on prevention of money laundering
2. The government promulgates the legal normative documents according to the competence and strategy for the prevention of money laundering.
3. The Prime Minister has directed the Governmental agencies to coordinate with the Supreme People's Court and the Supreme People's Procuracy in the prevention of money laundering and coordinate with the prevention of money laundering and terrorism financing.

Article 37. Responsibilities of the State Bank of Vietnam

1. Being responsible to the Government for performing the state management on the prevention of money laundering.
2. Developing and submitting to competent authorities for promulgation or promulgate according to their competence the legal normative documents, strategies and plans on the prevention of money laundering.
3. Focally organizing under the provisions of the Government to collect, process and transfer of information on money laundering to the competent State agencies; to request the organizations and individuals concerned to provide information and records of transactions and other information prescribed by this Law to serve the analysis and transfer of information on money laundering.
4. Promptly notifying the competent anti-terrorism agency of the information about money laundering in order to finance terrorism in accordance with this Law and the law on the prevention of terrorism.
5. Inspecting and monitoring the activities of money laundering for the reporting subject under the responsibility of the State management on the currency, banking operation and foreign exchange.
6. Cooperating, exchanging and providing information with the competent authorities in the inspection, monitoring, investigation, prosecution, judgment and enforcement of judgment relating to money laundering; exchanging information with the foreign anti-money laundering agencies and organizations as prescribed by law.
7. Implementating the international cooperation in the prevention of money laundering under the authority, participating and deploying the implementation of Vietnam's obligations as the member of the international organization on the prevention of money laundering.
8. Training the staff of the State Bank of Vietnam, other Governmental agencies and employees of the foreign credit organization and bank branches and other individuals and organizations on the prevention of money laundering.
9. Organizing research and application of scientific and technical progress and information technology in the prevention of money laundering.
10. Presiding over and coordinating with the relevant agencies to propagate the legal education on the prevention of money laundering.

11. Aggregating information, and annually making report to the Government on the prevention of money laundering in the territory of Vietnam.

Article 38. Responsibilities of the Ministry of Public Security

1. Collecting, receiving and handling information on the crime related to money laundering
2. Presiding over and coordinating with other agencies, organizations and individuals concerned in the detection, investigation and handling crime of money laundering.
3. Regularly exchanging information and documents about methods and practice of the new activity of crime of money laundering in the country and abroad with the State Bank of Vietnam
4. Presiding over the formulation of the list of organizations and individuals under the blacklist prescribed in clause 12, Article 4 of this Law.
5. Implementing the international cooperation on the prevention of money laundering within its competence.

Article 39. Responsibilities of the Ministry of Finance

1. Presiding over and coordinating with the agencies concerned to deploy the measures against the prevention of money laundering in the area of insurance business, securities, prize-winning game, casino.
2. Inspecting and supervising the activity of prevention of money laundering for the reporting subject in the area of insurance business, securities, prize-winning game, casino.
3. Directing the customs agency to provide the collected information on the transportation of cash, precious metal and gems and negotiable instruments across borders under the provisions of Article 24 of this Law.

Article 40. Responsibilities of the Ministry of Construction

1. Presiding over and coordinating with the agencies concerned to deploy the measures against the prevention of money laundering in the area of real estate business.
2. Inspecting and supervising the activity of prevention of money laundering for the reporting subject in the area of real estate business.

Article 40. Responsibilities of the Ministry of Justice

1. Presiding over and coordinating with the agencies concerned to deploy the measures against the prevention of money laundering applicable to the reporting subjects as lawyers, lawyer practice organizations, notary, and organization of notary service provision.
2. Coordinating with the State Bank of Vietnam to implement the common programs, legal education on the prevention of money laundering.

Article 42. Responsibilities of other Governmental agencies.

1. Coordinating with the State Bank of Vietnam to implement the state management on the prevention of money laundering.
2. Directing and making guidance, inspecting the units under their management to implement the provisions of law on the prevention of money laundering.

Article 43. Responsibilities of the People's Procuracy and People's Court

The People's Procuracy and People's Court within their functions, duties, powers, shall promptly and strictly handle the act of money laundering and coordinate with other agencies and organizations in the prevention of money laundering.

Article 44. Responsibilities of People's Committees at all levels

1. Performing and directing the propagation and legal education on the prevention of money laundering at the locality.

2. Coordinating with other competent state agencies to implement and urge the implementation of guidelines, policies, strategies and plans for the prevention of money laundering.
3. Promptly and strictly detecting and handling acts of violation of the law on the prevention of money laundering within its competence.

Article 45. Information security

The state agencies defined in Article 36 to Article 44 of this Law shall be responsible for the implementation of information security regulation as prescribed by law.

Chapter IV

INTERNATIONAL COOPERATION ON PREVENTION OF MONEY LAUNDERING

Article 46. General principles for international cooperation

1. International cooperation on the prevention of money laundering is done on the principle of respecting independence, sovereignty, territorial integrity, equality, mutual benefit and complies with the law of Vietnam and international treaty in which the Socialist Republic of Vietnam is a member.
2. The State creates favorable conditions in the exchange of information and legal assistance on the prevention of money laundering.

Article 47. The contents of international cooperation on prevention of money laundering

1. Exchanging information and documents on the prevention of money laundering.
2. Identifying and blocking property of persons committing the crime of money laundering.
3. Implementing legal assistance and extradition cooperation the crime of money laundering.
4. Other contents of cooperation on the prevention of money laundering.
5. The processes, procedures and methods of international cooperation on the prevention of money laundering in clause 1, 2, 3 and 4 of this Article shall comply with the international treaty in which the Socialist Republic of Vietnam is a member, the international agreements which Vietnam has signed and the other provisions of relevant law.

Article 48. Responsibilities of state agencies in international cooperation on prevention of money laundering

1. The State Bank of Vietnam in the scope of its duties, powers in coordination with the Ministry of Foreign Affairs, other ministries and sectors concerned to propose, preside over the negotiation and signing and implementation of international treaties, international agreement on the prevention of money laundering; international cooperation in research, training, information assistance, technical and financial assistance and exchange of experiences on the prevention of money laundering.
2. The State Bank of Vietnam shall exchange information on the prevention of money laundering with the foreign anti-money laundering agencies and other foreign agencies and organizations as prescribed by law; have the right to refuse to provide information to the foreign anti-money laundering agencies and other foreign agencies and organizations in case of necessity and in accordance with the law of Vietnam.
3. The Ministry of Justice, Ministry of Public Security, Supreme People's Procuracy in their duties and powers to perform the tasks of international cooperation on legal assistance in the prevention of money laundering.
4. Upon request of international cooperation in prevention of money laundering, the competent state agencies shall promptly notify in writing of the content, time, parties concerned and the other international cooperation program to the State Bank of Vietnam or the Ministry of Justice if the content is related to the legal assistance for coordinated implementation.

Chapter V

IMPLEMENTATION PROVISION

Article 49. Effect

This law takes effect on January 01, 2013

Article 50. Detailed regulation and implementation guidance

The Government stipulates in detail and makes guidance on the articles and clauses in this Law.

This law is adopted by the National Assembly of the Socialist Republic of Vietnam, term XIII, 3rd session on June 18, 2012.

CHAIRMAN OF NATIONAL ASSEMBLY

Nguyen Sinh Hung