Informal translation
With changes and amendments of November 20, 2015

FINANCIAL MONITORING SERVICE OF GEORGIA
DECREE # 93

Tbilisi July 27, 2004

On Approving the Regulation on Receiving, Systemizing and Processing the Information by Notaries and Forwarding to the Financial Monitoring Service of Georgia

Pursuant to Article 10 and Article 15 of the Law of Georgia "on Facilitating the Prevention of Illicit Income Legalization" I Decree:

1. Approve the attached Regulation "On Receiving, Systemizing and Processing the Information by Notaries and Forwarding to the Financial Monitoring Service of Georgia".

2. Regulation "On Receiving, Systemizing and Processing the Information by Notaries and Forwarding to the Financial Monitoring Service of Georgia" shall become effective from September 1, 2004.

3. Regulation "on Receiving, Recording and Processing the Information by Notaries and Forwarding to the Financial Monitoring Service of Georgia approved under the Decree #23 of December 25, 2003 of the Head of the Financial Monitoring Service of Georgia shall become null and void from the effective date of this Regulation.

4. All notaries operating in Georgia shall: ensure putting in action of an e-mail in the notary bureau, electronic data base containing identification details of clients and other relevant persons and information on transactions subject to monitoring as well as implementation of the relevant software for revealing transactions aimed at partition within the time period set under the Law of Georgia "on Facilitating the Prevention of Illicit Income Legalization".

5. Notaries appointed after the effective date of this Decree, shall take into consideration requirements of the Law of Georgia "on Facilitating the Prevention of Illicit Income Legalization" and this Regulation.

6. This Decree shall become effective upon promulgation.

N. Geguchadze

REGULATION

on Receiving, Systemizing and Processing the Information by Notaries and Forwarding to the Financial Monitoring Service of Georgia

Article 1. General Provisions

1. The present regulation has been developed on the basis of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization" and other relevant normative acts. (02.06.2010 #14)

2. This Regulation shall apply to Notaries operating on the territory of Georgia.

3. Requirements of this Regulation shall apply to Georgian resident and non-resident persons, their representatives, missions and branches, as well as to departments, institutions and organizations.

4. This Regulation shall regulate the principles and rules of carrying out financial monitoring for the purpose of facilitating the prevention of illicit income legalization and terrorism financing by the Notaries; specifically, the terms and procedure for identifying the Notaries' clients, and receiving, systemizing, processing and retaining the appropriate information, and submitting the information to the Financial Monitoring Service, as well as the procedure for carrying out the instruction of the Financial Monitoring Service on the suspension of implementation of the transaction.

Article 2. Definition of Terms

For purposes of this Regulation, the following terms shall have the following meanings:

a) Illicit income – illicit or / and unjustified property possessed or owned by a person; (7.10.2008 #9)

b) Property – property as considered under the Civil Code of Georgia: all property (movable as well as immovable) and immaterial property, which can be owned, used and disposed of by physical and legal persons;

c) Legalization of illicit income – legalization of illicit income (acquisition, use, transfer or other action), as well as concealing or disguising its true origin, proprietor or owner, or/and property rights or attempt to commit such an action;

d) Monitoring – identification of clients by the Notary, as well as persons involved in transactions implemented through the Notary and subject to monitoring; recording, systemizing and processing the information on transactions subject to monitoring and

forwarding to the Financial Monitoring Service of Georgia in compliance with the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization", this Regulation and procedure prescribed by the other normative acts adopted on the basis of the Law;

e) Suspicious transaction – a transaction (regardless its amount and operation type) supported with reasonable grounds to suspect that it had been concluded or implemented for the purpose of legalizing illicit income or/and the property (including funds) on the basis of which the transaction had been concluded or implemented is the proceeds of criminal activity or/and the transaction had been concluded or implemented for the purpose of terrorism financing (person participating in the transaction or the transaction amount causes suspicion, or other reasons exist for considering transaction as suspicious), or any person involved in the transaction is on the list of terrorists or persons supporting terrorism, or / and is likely to be connected with them, or / and funds involved in the transaction may be related with or used for terrorism, terrorist act or by terrorists or terrorist organization or persons financing terrorism, or any involved person's legal or real address or place of residence is located in a non-cooperative zone or the transaction amount is transferred to or from such zone; (31.01.12 #10)

f) Person – any resident or non-resident physical person, legal entity as well as organizational formation considered under legislation, which does not represent a legal entity (partnership of apartment owners, non-registered union and partnership);

g) Clients of the Notary – natural persons and legal entities (as well as organizational formations considered under the legislation, which do not represent legal persons) that apply to the Notary for conducting notarial activities considered under the Georgian legislation;

h) Identification of a person – obtaining information on the person, which, when necessary, allows tracing such person and distinguishing from the other person; (27.10.2008 #9)

i) Person involved in a transaction – all persons participating in the transaction, including parties of the transaction, their representatives and agents, as well as third parties in whose favor transaction is concluded;

j) Non-cooperative area or watch zone – country or a part of the territory thereof defined by the National Bank of Georgia on the basis of proposition of the Financial Monitoring Service of Georgia (FMS). The country or territory thereof shall be identified as such on the basis of the information provided by competent international organization, or if the grounded supposition exists that in such zone weak mechanisms for controlling illicit income legalization are effective; (01.09.2011 #11)

k) Rescinded; (27.10.2008 #9)

l) Beneficial owner – natural person(s) representing an ultimate owner(s) or controlling person(s) of a person or / and a person on whose behalf the transaction (operation) is being conducted; beneficial owner of a business legal entity (as well as of an organizational formation (arrangement) not representing a legal entity, provided for in the Georgian

legislation) shall be the direct or indirect ultimate owner, holder or / and controlling natural person(s) of 25% or more of such entity's share or voting stock, or natural person(s) otherwise exercising control over the governance of the business legal entity; (31.01.12 #10)

m) Control – exercising strong influence directly or indirectly, alone or in concert with others, through use of voting shares or otherwise; (27.10.2008 #9)

n) Controlling person - Person exercising control; (27.10.2008 #9)

o) Unusual transaction – a complex, unusually large transaction (operation) and/or unusual patterns of a transaction (operation) that does not have visible economic (commercial) content or lacks lawful purpose and/or is inconsistent with the ordinary business activity of a person involved therein; (22.05.15 #16)

p) Politically Exposed Person (PEP) - a foreign citizen, who has been entrusted with prominent state (public) functions in a respective country or / and carry out significant public and political activities. The PEPs are as follows: the head of the state, the head of the government and the member of the government, their deputies, a senior official of government institution, a member of the parliament, a member of the supreme court, a member of the constitutional court, a senior military official, a member of the central (national) bank's council, an ambassador, a senior executive of state owned corporations, important political party (union) officials and members of executive body of the political party (union), other prominent politician, his / her family members as well as persons having close business relations with him / her; a person shall be considered as a politically exposed during a year following his / her resignation from the foregoing positions; (02.06.2010 #14)

q) Family member – spouse of a politically exposed person (PEP), his / her parents, siblings, children (including step – children) and their spouses; (02.06.2010 #14)

r) Person having close business relationship with the politically exposed person (PEP) – natural person who owns or / and controls a share or voting stock of that legal entity, in which a share or voting stock is owned or / and controlled by the Politically Exposed Person (PEP); also, a person having other type of close business relationship with the Politically Exposed Person (PEP). (02.06.2010 #14)

s) Implementation of the transaction (operation) – Implementation of the transaction (including the registration of property) by the monitoring entity except for the monitoring entities listed in subparagraphs "f", "j" and "m" of Article 3 of the Law of Georgia on Facilitating the Prevention of Illicit Income Legalization.

Article 3. Transactions Subject to Monitoring

1. For purposes of this Regulation, subject to monitoring shall be a transaction concluded or implemented (if the Notary gets informed about this transaction after its implementation) by a person and/or the series of transactions, aimed at partition of the transaction (its amount), if one or both of the following provisions exist: (27.10.2008 #9)

a) The amount of the transaction or the series of transactions exceeds GEL 30,000, (or its equivalent in other currency) in case of cash as well as non-cash settlements; or

b) Transaction is suspicious (regardless its amount) according to subparagraph (e), Article 2 of this Regulation.

2. Any transaction, other than transactions listed in paragraph 1 of this Article, shall be subject to monitoring if there is a supposition that any person involved in the transaction is connected or is likely to be connected with terrorist or persons supporting terrorism, or / and funds involved in the transaction, whether obtained legally or illegally, may be related with or used for terrorism, terrorist act or by terrorists or terrorist organization or persons financing terrorism. List of terrorists and persons supporting terrorism shall be published in the Legislative Herald of Georgia by the Financial Monitoring Service of Georgia (31.01.12 #10)

3. Subject to monitoring shall also be an attempt to conclude or implement a suspicious transaction and other fact (circumstance), which, according to the written instructions of the FMS, may be related to legalization of illicit income or financing terrorism.

3^1. Notaries shall pay special attention to unusual transactions, which do not have visible economic (commercial) content or lack lawful purpose, ascertain the purpose and grounds of such transactions to the reasonable extent possible and document the results obtained in writing. In case of detecting the high risk of money laundering and terrorism financing, the Notary is required to undertake the enhanced procedures of identification and verification provided for by Article 5^2 of this Regulation which is commensurate with the risk identified. In such cases, the monitoring of the business relationship must be enhanced in order to ascertain whether a transaction (operation) is unusual or suspicious. (22.05.15 #16)

3^2. For purposes of the Law of Georgia "on Facilitating Prevention of Illicit Income Legalization", Notaries shall at own discretion determine principles for categorizing transaction of business related person as unusual. (27.10.2008 #9)

4. Pursuant to paragraph 5, Article 5 of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization", the Financial Monitoring Service of Georgia shall have the authority to define the list of specific transactions (or their characteristics, such as type of the business activities of persons involved in transaction, geographic area of their location (place of registration), subject of transaction and etc.), on which the Financial Monitoring Service of Georgia shall be informed according to the rule for submission of reports set by this Regulation.

5. Notary shall have the right not to submit the reporting form to the Service on transactions related to immovable items if the transaction amount exceeds GEL 30,000 and transaction will not result in changing the ownership over the item (including transactions concluded on securing the claim). This exception shall not apply if the transaction or any party involved in

the transaction causes suspicion for the purposes of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization" and this Regulation. (31.01.12 #10)

Article 4. Obligations of Notaries with Respect to Implementation of Internal Control

Pursuant to Article 8 of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization", for the purpose of preventing facts of illicit income legalization, the Notary shall exercise internal control in accordance with the normative acts issued by the Minister of Justice of Georgia on the basis of paragraph 7, Article 8 of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization''.

Article 5. Obligations of Notaries with respect to Identification and Registration of Identification Details (Documents) (31.01.12 #10)

1. Notary shall identify the person having business relation with the notary based on the principal activity of the latter (its representative and proxy, as well as the third person if the transaction is being concluded in favor of the third person) and take reasonable measures to verify their identity by means of reliable and independent source of information (documents) when:

a) Transaction (operation) amount exceeds GEL 3 000 (or its equivalent in other currency);

b) Transaction represents a suspicious transaction according to subparagraph (e) of Article 2 of this Regulation;

c) Doubts arise regarding the veracity and/or adequacy of previously obtained person identification data.

2. Notary shall identify the beneficial owner of the person having business relationship with the Notary (client), as well as to undertake reasonable measures to verify his/her identity by means of reliable, independent source and be satisfied that it knows who the beneficial owner of the person (client) is. Identification procedures similar to those used for natural persons shall be applied against beneficial owner.

3. In the course of the identification and/or verification of a client (its beneficial owner), the Notary may rely on a third party/intermediary that carries out the identification and verification of a person in accordance with the FATF recommendations, keeps documents (their copies) as provided for by Article 7 of this Regulation, and is subject to the supervision and regulation as defined under the FATF recommendations. The Notary shall be required to immediately obtain from a third party/intermediary the information related to the identification and verification of a client (its beneficial owner), as well as the purpose and intended nature of the business relationship. Furthermore, the Notary shall be required to undertake the necessary measures to ensure that it can access the identification data of a client (its beneficial owner) and other relevant documents related to the identification and verification of a client (its beneficial owner) held by a third party/intermediary immediately

upon request. In such cases, the ultimate responsibility for the identification and verification of a client in accordance with the procedure provided for by this Regulation shall remain with the Notary. The Notary shall take into account the information available about the risk of illicit income legalization and terrorism financing in the host country of a third party/intermediary when selecting a third party/intermediary. (22.05.15 #16)

4. For the purpose of identifying the client (the representative or proxy, as well as the third person, if the transaction is being concluded in favor of the third person) and its beneficial owner in conformity with the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization" and the present Regulation, the Notary shall be entitled to use the electronic databases of identification documents provided by State Services Development Agency – legal entity of public law of the Ministry of Justice of Georgia according to the procedure set by the Georgian legislation. (22.05.15 #16)

5. Identification and verification of each client as well as its beneficial owner and obtaining of other information as it is defined by this Article, shall take place before certifying of a transaction, carrying out of any other notarial activity (providing the service) as well as prior further continuation of the business relationship if legalization of illicit income or terrorism financing is suspected or if doubts exist about the veracity or adequacy of previously-obtained client identification data, except for cases provided by paragraph 3, Article 5^2 of this Regulation. (22.05.15 #16)

6. Prior to commencement of business relations with the client Notary shall ascertain nature and purpose of relations the client intends to establish, and perform ongoing scrutiny of relations between existing clients and the Notary.

6^1. The Notary shall be required to obtain information about the nature of the business activity, the ownership and control structure of a legal entity (including an organizational formation (arrangement) not registered as a legal entity) when undertaking the identification and verification procedure. (22.05.15 #16)

6^2. The notary shall be required to undertake the appropriate measures for obtaining the information about the purpose and intended nature of the business relationship with the client. (22.05.15 #16)

7. In spite of supposition on equivocacy and amount of the transaction, the Notary shall not suspend implementation of the transaction (providing services to the person having the business relationship with the Notary (client)), except for the following cases:

a) Person willing to establish business relationship with the Notary (client) can not be identified;

b) Any party of the transaction is on the list of terrorists or persons supporting terrorism;

b^1) Upon receipt of the instruction of the Financial Monitoring Service on the suspension of implementation of the transaction as prescribed under Article 8^1 of this Regulation.

c) Other cases provided by the Georgian Legislation.

8. In cases indicated in subparagraphs (a) and (b), paragraph 7 of this Article, the Notary shall not conduct notarial activities and shall immediately submit the reporting form, available materials and any other information on transaction and participants thereof to the Financial Monitoring Service of Georgia.

9. The following information, on all persons taking part in the transaction, shall be obtained through the identification process:

a) in case of natural person:

a.a) First name, last name;

a.b) Citizenship;

a.c) Date of birth;

a.d) Permanent (registered) place of residence;

a.e) Number of ID (Passport) and citizen's personal number by ID (Passport);

a.f) If the natural person is registered as an individual entrepreneur – the relevant registration date, number, registering authority, identification number of tax payer;

b) In case of legal entity:

b.a) Full name;

b.b) Business activity;

b.c) Legal address (in case of the branch or representation the legal address of the head office also);

b.d) Registering authority, date and number of registration;

b.e) Identification number of tax payer;

b.f) Identification details of persons authorized for management and representation in conformance with this subparagraph (separately shall be indicated details of the person, who represents this legal entity in a transaction);

c) In case of organizational formation considered under the legislation, which does not represent legal entity:

c.a) Full name;

c.b) Legal address;

c.c) Legal act or other document, based on which this formation has been established (or has been functioning);

c.d) Identification number of tax payer;

c.e) Identification details of persons authorized for management and representation in conformance with this subparagraph (separately shall be indicated details of the person, who represents this legal entity in a transaction);

10. Documents necessary for identification process shall be:

a) if natural person is a Georgian citizen – a citizen identity card, or a citizen passport, or any other official document equalized to them under the Georgian legislation, which contains the relevant information; if the natural person is registered as a sole proprietor – document confirming registration;

b) if the natural person is a foreign citizen – passport issued by the competent authority of the relevant State or other official document equalized with such passport under the Georgian legislation, containing relevant data;.

c) in case of resident legal entity (as well as in case of organizational formation which does not represent a legal entity) – respective legal act on establishing the legal entity or / and excerpt from Registry of Entrepreneurs (or other relevant register) and document confirming person's representational authority.

d) in case of non-resident legal entity - documents issued by competent authorities of the foreign state, legalized in conformance with the Georgian legislation and confirming foundation of the non-resident legal entity and certifying respective authority of its representative(s).

11. If documents (information) stored in or presented to the Notary allow, in addition to information listed in subparagraphs (a) - (c), paragraph 9 of this Article, the following details shall be documented:

a) In case of a natural person:

a.a) Patronymic;

a.b) Place of birth;

a.c) ID (Passport) issuing authority, date of issuance;

a.d) Temporary (real) place of residence (in Georgia as well as abroad), if different from registered place of residence;

a.e) Occupation, main business activity and position held;

a.f) Bank account (accounts) details;

a.g) Tel/fax, e-mail.

b) In case of a legal entity (as well as organizational formation, which does not represent a legal entity):

b.a) Identification details of natural persons and legal entities owning 20% and more of the stock, share and etc.

b.b) Date of appointment of persons authorized for management and representation;

b.c) Bank account (accounts) details.

12. Notary shall exercise permanent monitoring of business relationships with their clients that includes:

a) Maintaining current information and records relating to the client and its beneficial owner;

b) Updating periodically existing identification data and ensuring their conformity with current norms;

c) Scrutiny of transactions in order to establish that the conducted transaction is consistent with their knowledge of the client, client's business or personal activity and risk profile and where necessary the source of property (including funds).

13. A Notary shall be required to have the appropriate risk management system for the identification and verification of clients that may pose the high risk of illicit income legalization and/or terrorism financing, and shall apply the enhanced identification and verification, and the enhanced monitoring procedure with respect to such clients as provided under Article 5^2 of this Regulation. The identification and verification procedure shall be carried out through the risk-based approach having regard to the type of the clients (the beneficial owners), their location (place of registration), geographic area or field of operation, as well as the nature and intensity of the business relationship, the type or size of transactions (operations) or products/services or other factors. A Notary shall be required to define the appropriate criteria (risk-factors) and assign the clients to the category of the high risk of illicit income legalization and/or terrorism financing. (22.05.15 #16)

13^1. A Notary shall be authorized to use the simplified identification and verification procedure as provided under Article 5^2 of this Regulation that is commensurate with the low

risk of illicit income legalization and/or terrorism financing identified through the appropriate risk assessment by a Notary. The use of the simplified procedure shall be prohibited when there is a suspicion of illicit income legalization and/or terrorism financing or in cases of the high risk of illicit income legalization and/or terrorism financing as provided under paragraph 13 of this Article. A Notary shall be authorized to use the simplified procedure once the appropriate criteria (risk-factors) are defined and the clients are assigned to the category of the low risk of illicit income legalization and/or terrorism financing. (22.05.15 #16)

14. Notary should pay special attention to any threats that may arise from new technologies, products and service that might favor anonymity during the service and take all measures, to prevent their use in legalization of illicit income and terrorism financing. Notary should have in place such identification and verification policy and procedures that reduces the risks associated with non face to face service as it is considered under the Georgian legislation. Policy and procedures defined under this paragraph shall be used when establishing business relationship and when conducting permanent monitoring.

Article 5^1. Obligations of the Notary with respect to Politically Exposed Persons (PEPs) (02.06.10 #14)

1. Notary shall identify whether the person having business relations with him / her and his / her beneficial owner belongs to the category of Politically Exposed Persons (PEPs).

2. If the person having business relationship with the Notary or / and his/ her beneficial owner represents a Politically Exposed Person (PEP), in addition to the steps stipulated under the Law and the present Regulation the Notary shall take the following actions: (31.01.12 #10)

a) Take reasonable measures to ascertain the origin of funds, property of such person;

b) Perform enhanced monitoring over its business relations with such person.

3. If the person (his / her beneficial owner) becomes Politically Exposed Person (PEP) after establishing business relations with the Notary, the latter shall undertake measures provided for in paragraph 2 of this Article against such person upon availability of the aforementioned information.

Article 5^2 . The enhanced and simplified identification and verification procedure (22.05.15 #16)

1. A notary (authorized employee) shall be required, in addition to implementing the requirements provided under Article 5 of this Regulation, to apply the enhanced

identification and verification procedure with respect to the client that may pose the high risk of illicit income legalization and terrorism financing, in particular to:

a) Verify the existing and/or obtain additional information about the client and the beneficial owner (income, assets and activity), and to ensure, where appropriate, the immediate access to such information;

b) Update the identification data of the client (the beneficial owner) more frequently and verify the authenticity of the documents submitted by the client;

c) Verify the existing and/or obtain additional information about the purpose and intended nature of the business relationship;

d) Take reasonable measures to obtain the information about the source of funds or wealth of the client (the beneficial owner);

e) Verify the existing and/obtain additional information about the reasons and grounds for performed (intended) transactions (operations);

f) Conduct the enhanced monitoring of the business relationship, which includes increasing the number and timing of controls applied, and selecting patterns of transactions (operations) that need further examination.

2. A Notary is authorized, in addition to implementing the requirements provided under the first paragraph of this Article, to carry out other measures and/or obtain additional information to ensure that the risk identified is effectively managed, including, by determining the expected type and size of future transactions (operations).

3. A Notary is authorized, in cases provided under paragraph 13^1, Article 5 of this Regulation, to use the simplified identification and verification procedure that is commensurate with the low risk of illicit income legalization and terrorism financing, including to:

a) Verify the identity of the client and the beneficial owner after the establishment of the business relationship;

b) Reduce the frequency of updates of the identification data of the client and the beneficial owner;

c) Reduce the frequency of implementing the requirements provided under subparagraph “c”, paragraph 12, Article 5 of this Regulation based on the reasonable monetary threshold;

d) Establish the purpose and intended nature of the business relationship based on the information provided by the client about the transactions (operations) undertaken and/or the business relationship established.

4. A notary shall not be exempted from the obligation of obtaining the data provided under paragraph 9 of this Article, and verifying the identity of the client and the beneficial owner when applying the simplified identification and verification procedure in cases provided under paragraph 13^1, Article 5 of this Regulation. A Notary shall be required, when applying the simplified identification and verification procedure, to obtain the sufficient information for determining the reasonableness of assigning the client to the category of the low-risk of illicit income legalization and terrorism financing.

5 A Notary shall define the enhanced and simplified identification and verification procedure on the basis of the requirements provided under this Article.

Article 6. Obligations of the Notary to Record Information (Documents) on Transactions Subject to Monitoring

1. Pursuant to paragraph 6, Article 6 of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization", the Notary shall be obligated to record information on transaction subject to monitoring. (31.01.12 #10)

2. Notary shall be obligated to record the following information (documents) on transaction subject to monitoring:

a) Type, subject and purpose of the transaction (type – e.g. purchase, exchange etc; subject – e.g. monetary amount, item etc.; purpose – goal that parties are willing to achieve – receive profit, debt payment, charity etc);

b) Date and place of concluding transaction as well as transaction amount and currency in which transaction shall be implemented;

c) Content of notarial activities performed by the Notary (confirmation of transaction (agreement, will,), certification of a signature etc.);

d) Information (documents) defined under paragraphs 9 and 10, Article 5 of this Regulation submitted for identification of the person involved in a transaction, including information on the person on whose behalf the transaction is concluded or implemented, as well as identification information (documents) about the person who concludes or implements transaction on the basis of an order. (31.01.12 #10)

3. Notary shall be obligated to record information referred to in paragraph 2 of this Article in relation to all those transactions that are subject to monitoring according to Article 5 of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization" and Article 3 of this Regulation.

4. For the purpose of documenting, systemizing and filing information referred to paragraph 2 of this Article, the Notary shall use norms set under the legislation.

Article 7. Obligations of Notaries to Keep Information (Documents) on Transaction (27.10.2008 #9)

1. Notary shall be required to keep the information (documents) about a client (its beneficial owner) as provided for by Articles 5 and 5^2 of this Regulation (including the information submitted in accordance with the procedure defined in paragraph 4, Article 5 of this Regulation) as well as business correspondence and written notes as provided under paragraph 3^1, Article 3 of this Regulation in the electronic or material form for at least 6 years from the moment of terminating the business relationship with a client unless the respective supervisory or other competent authority requests retention of such information (documents) for a longer period and/or a longer period for keeping such information (documents and written notes) is provided for by the Georgian legislation. In addition, information recorded electronically (respective databases and etc.) as well as the documentary information (documents) shall be retained for the aforementioned period. (22.05.15 #16)

1^1. A notary shall be required to keep the information (documents) on a transaction (operation) for at least 6 years from the moment of certifying a transaction, except for the information (documents) provided under the first paragraph of this Article, unless the respective supervisory or other competent authority requests the retention of such information for a longer period and/or a longer period for keeping such information (documents) is provided for by the Georgian legislation. (22.05.15 #16)
2.
2. Information (documents), defined under Article s1 and 1^1 shall be kept in their original form, and where impracticable, copies thereof shall be retained. (22.05.15 #16)

3. In addition to the information indicated in paragraph 1 of this Article, subject to retention to the Notary for the period of six years (if a requirement of retaining for a longer period is not set by the respective supervisory authority) shall be electronic reporting forms submitted to the Financial Monitoring Service of Georgia pursuant to Article 9 of the Law of Georgia "on Facilitating the Prevention of Illicit Income Legalization" and Article 8 of this Regulation. In case of submitting hard copies to the Financial Monitoring Service of Georgia, subject to retention for the period of six years shall be their signed and stamped copies. (02.06.2010 #14)

4. Information (documents) retained by the Notary shall fully reflect the implemented operation and / or transaction and persons involved in. In addition, it shall be recorded, systemized and filed in a way, that when needed (including, timely submission to the supervision authorities as well as necessity to use as evidence in criminal cases) it can be found and retrieved in a shortest period of time.

5. Information (documents) shall be retained in a way that it can be accessible only to the Notary and persons authorized by the effective legislation.

Article 8. Obligations of Notaries to Present Reporting Forms on Transactions Subject to Monitoring

1. Pursuant to Article 9 of the Law of Georgia "on Facilitating the Prevention of Illicit Income Legalization", the Notary shall submit notices to the Financial Monitoring Service of Georgia on transactions (operations) subject to monitoring, specified in Article 5 of the Law and Article 3 of the present Regulation, as well as if the Notary has suspicion regarding authenticity of existing identification information. (02.06.2010 #14)

2. Rescinded (31.01.12 #10)

3. Reporting forms shall be submitted to the Financial Monitoring Service of Georgia in an electronic form pursuant to the procedure defined under paragraph 7 of this Article. Hard copies of reporting forms shall be submitted to the Financial Monitoring Service of Georgia according to the procedure defined under this Regulation in exceptional case when reporting forms are impossible to be sent in an electronic format. (31.01.12 #10)

4. The following time frames shall be set for submission of reporting forms to the Financial Monitoring Service of Georgia: (31.01.12 #10)

a) If the amount of implemented (concluded) transaction or series of transactions aimed at partition exceeds GEL 30 000 or its equivalent in other currency, the report shall be submitted no later than five working days from the moment of implementing or concluding such transaction (or from the moment of receiving information on such transaction, or series of transactions);

b) If the transaction or identification data is considered as suspicious - the report shall be submitted on the day of origination of supposition or suspicion;

c) If any person involved in the transaction is on the list of terrorists or persons supporting terrorism, or / and is likely to be connected with them or / and funds involved therein may be related to or used for terrorism, terrorist act or by terrorists or terrorist organization or persons financing terrorism, the report shall be submitted on the day the information is received. In addition, in the latter case all relevant materials and documents available to the Notary along with the reporting form shall be forwarded to the Financial Monitoring Service of Georgia.

5. If due to objective reasons the special reporting form cannot be presented within the set period of time, defined under paragraph 4 of this Article, information available to the Notary shall be submitted to the FMS through existing communication means (telephone, fax and e-mail). However, no later than 3 working day from the moment the information is received, the Notary shall be obligated to submit completed special reporting form to the FMS indicating communication means of report submission, precise time, sender and recipient persons, as well as reasons for belated submission of the special reporting form.

6. Hard copy of the reporting form shall be submitted to the Financial Monitoring Service of Georgia in a sealed envelope personally by the Notary or by the authorized employee (such employee shall get sealed envelope and not have the right to know the content) thereof, or by post as a registered mail. Name and address of the sender – Notary (first name, last name and address) shall be written on the envelope, as well as the addressee – ("Financial Monitoring Service of Georgia"). Delivery address: 2, Sanapiro st, 0105, Tbilisi Georgia. The envelope shall be marked as confidential. (22.05.15 #16)

7. Reporting Forms as well as other confidential information on transactions subject to monitoring shall be submitted to the FMS in electronic form through the relevant web shell and/ or web service of the web portal set on the official website of the FMS of Georgia (www.fms.gov.ge) (31.01.12 #10).

8. Rescinded (22.05.15 #16)

9. On each reporting form submitted electronically the first and last names of the Notary should be indicated. In the event of sending hard copy of the form according to paragraph 3 of this Article it is to be printed in two copies, each to be certified with the signature of the notary and stamped. One copy of the report is to be sent to the Financial Monitoring Service of Georgia, while the other copy is to be retained to the Notary and to be archived not less than 6 years. (02.06.2010 #14)

10. The Notary shall maintain register of special reporting forms submitted to the FMS, which assigns individual number to each reporting form. Numbering of special reporting forms shall be consistent during each year and reflected in a special journal, pages of which are numbered.

11. Special reporting form shall be filled completely. If Notary does not have any information required in the form, the following shall be written in: "we do not have information." If due to peculiarities of the transaction, it is not necessary to fill in any of the boxes, "----" shall be written in.

12. If there is not sufficient space for writing full information available to the notary, additional sheet (sheets) with detailed information shall be attached to the form. Form and box numbers shall be indicated on the top of the sheet, as to which report the information should be attached. First and last names of the notary shall be indicated on each additional sheet. (In case of sending hard copy of the report each additional sheet shall be certified with a signature of the notary and to be stamped. (02.06.2010 #14)

13. For organizational formations considered under the legislation, which do not represent legal entities boxes allocated for legal entities shall be filled in.

14. In the event of revealing suspicious transaction and submitting related special reporting form to the FMS, the Notary shall be obligated to focus special attention on other transactions, implemented/or to be implemented by persons involved in this particular transaction.

15. Pursuant to subparagraph “a”, paragraph 4, Article 10 of the Law of Georgia “On Facilitating the Prevention of Illicit Income Legalization”, the Financial Monitoring Service of Georgia shall be authorized to request additional information from the Notary and available documents (including confidential) in relation to any transaction and persons involved therein, including those transactions on which special reporting forms have not been presented to the Financial Monitoring Service of Georgia. The Notary shall be obligated to submit requested information to the FMS within two working days from the moment of receiving the request.

16. If the Notary reveals any additional information, with respect to the relevant transaction or parties thereof, after the report is sent, he / she shall immediately forward this information to the Financial Monitoring Service. Also, the additional information shall include number and submission date of the special reporting form, to which the information should be added. The additional information shall be presented in a special reporting form if necessary.

17. The Notary is obliged to strictly observe confidentiality of form completion, submission to the FMS and the related information. In case of suspicion regarding the transaction or parties thereof, and in the event of completion of the special reporting form and submission to the FMS, the Notary shall not inform persons involved in the relevant transaction, their representatives and any other persons.

Article 8^1. The instruction of the Financial Monitoring Service on the suspension of implementation of the transaction (operation)

1. The Head of the Financial Monitoring Service shall be authorized, if the transaction is believed to be suspicious and irrespective of the amount of funds, to issue the written instruction to the Notary on the suspension of implementation of the transaction (operation) or any other related transaction (operation) for no more than 72 hours (non-working days and public holidays shall not be considered in the time limit). The case materials shall be immediately disseminated to the respective authorities of the Chief Prosecutor’s Service, the Ministry of Internal Affairs and/or the State Security Service of Georgia.

2. The Head of the Financial Monitoring Service or the person designated therein shall be authorized, in case of urgency, to verbally (directly or through electronic means) or in writing through electronic means issue the instruction referred to in paragraph 1 of this Article that shall be confirmed by the written instruction of the Head of the Financial Monitoring Service and handed over to the Notary in the next 24 hours (non-working days and public holidays shall not be considered in the time limit). If within this time limit the written instruction is not handed over to the Notary the instruction of the Financial Monitoring Service shall not be observed. The protocol shall be drawn up as provided for by subparagraph 3 of this Article when the instruction referred to in this paragraph is issued.

3. The protocol shall be drawn up separately by the Financial Monitoring Service of Georgia on the one hand and the recipient Notary on the other hand immediately upon the issuance of

the instruction of the Financial Monitoring Service on the suspension of implementation of the transaction as prescribed under paragraph 2 of this Article. The protocol shall include:

a) First name, last name and the position of the issuer of the instruction (authorized employee of the Financial Monitoring Service) and the recipient Notary.

b) Exact time of issuance/receipt of the instruction (specifying the hour and minute);

c) The form of issuance/receipt of the instruction (verbal, including through means of electronic communication, or written, including through electronic mail or other means of electronic communication);

d) The substance of the instruction, including the data enabling the identification of the transaction (transactions) and/or the person carrying out the transaction (transactions);

e) The period of the suspension of implementation of the transaction;

f) The confirmation of the receipt of the instruction by the Notary;

g) The exact time and date of drawing up the protocol;

h) The signature of authorized employees of the Financial Monitoring Service and the Notary.

4. Notary shall be required to immediately confirm the receipt of the instruction referred to in paragraphs 1 and 2 of this Article to the Financial Monitoring Service through the same means used to communicate the instruction, and to undertake all necessary measures for its implementation. The confirmation of the receipt of the instruction on the suspension of implementation of the transaction under paragraph 2 of this Article shall be included in the protocol referred to in paragraph 3 of this Article.

5. The time limit referred to in paragraph 1 of this Article shall start to run from the moment of receipt by the Notary of the written instruction issued by the Head of the Financial Monitoring Service, or the instruction issued by the Head of the Financial Monitoring Service or the designated person as provided by paragraph 2 of this Article.

6. The instruction referred to in paragraphs 1 and 2 of this Article can be revoked before the expiry of the time limit provided for in paragraph 1 of this Article if the suspicious nature of the transaction could not be ascertained or if this is required for the interests of investigation based on the written request of the respective authorities of the Chief Prosecutor’s Service, the Ministry of Internal Affairs or the State Security Service of Georgia. The Financial Monitoring Service shall immediately notify the Notary about the revocation of the instruction through the procedure referred to in paragraph 2 of this Article, which shall be confirmed by the written instruction of the Head of the Financial Monitoring Service and handed over to the Notary in the next 24 hours. The Notary shall be required to immediately confirm the receipt of the notice on the revocation of the instruction referred to in paragraphs

1 and 2 of this Article to the Financial Monitoring service through the same means used to communicate the notice.

7. The Notary shall be required to keep the written instructions of the Head of the Financial Monitoring Service (including written instructions issued through electronic means) referred to in paragraphs 1 and 2 of this Article for no less than 6 years unless the respective supervisory authority requests to keep the instructions for a longer period. The protocols referred to in paragraph 3 of this Article shall also be retained for 6 years.

8. The Notary and employees (both fixed and unspecified term employees) of the Notary shall not be authorized to notify the parties to a transaction or other persons about the implementation of measures provided for by this Article.

Article 9. Responsibilities Related to Monitoring

1. The Ministry of Justice of Georgia shall supervise compliance of the Notary with norms and requirements of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization", this Regulation and normative acts issued by the Ministry of Justice of Georgia.

2. For violation of norms and requirements of the Law of Georgia "On Facilitating the Prevention of Illicit Income Legalization" and this Regulation, the sanctions shall be imposed against the Notary in compliance with procedure set by the Law of Georgia "on Notaries" and the Ministry of Justice of Georgia.