



CRYPTO ASSET SERVICE PROVIDERS AND SAVINGS FINANCE COMPANIES INCLUDED WITHIN THE SCOPE OF THE REGULATION ON MEASURES REGARDING PREVENTION OF LAUNDERING PROCEEDS OF CRIME AND FINANCING OF TERRORISM

The Amendment to the Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism ("**Regulation**") is published and entered into force in the Official Gazette numbered 31471 and dated May 1, 2021 and scope of entities obliged to comply with the Law on Prevention of Laundering Proceeds of Crime numbered 5549 ("**Law**") and the Regulation is expanded.

EXECUTIVE SUMMARY

- (i) Savings finance companies and crypto asset service providers are now obliged to comply with the Regulation.
- (ii) Savings finance companies and crypto asset service providers are now responsible on the identification and monitoring of customer transactions and status, reporting of suspicious transactions, provision of continuous information and general auditing.

I. New Obligations of Crypto Asset Service Providers and Savings Finance Companies

Certain obligations are introduced relating to customer transactions under the Regulation.

These obligations are mainly as follow;

- (i) Identification of customers (*Article 5 of the Regulation*),
- (ii) Monitoring of customer transactions and status (*Article 19 of the Regulation*),
- (iii) Reporting of suspicious transactions (*Article 27 of the Regulation*),
- (iv) Provision of information and documents (*Article 32 of the Regulation*),
- (v) Auditing (*Article 35 of the Regulation*).

Kindly note that crypto asset service providers and savings finance companies are not included within the definition of a "financial institution" under the Regulation, and therefore relevant provisions of the Regulation regarding financial institutions shall not be applicable to crypto asset service providers and savings finance companies.

Lastly, crypto asset service providers are not obliged to prepare a *compliance program* and appoint a *compliance officer* since no amendments were made to the provisions of the "Regulation on

Program of Compliance with Obligations of Anti-Money Laundering and Combating the Financing of Terrorism”.

II. Entry into Force

The amendments to the Regulation was published in the Official Gazette numbered 31471 and dated May 1, 2021 entering into force on the same date. No transition period was granted for compliance with the Regulation.

Please contact us for detailed information.



Ela Sari

Partner

ela.sari@aschukuk.com



Muhammet Altuntas

Associate

muhammet.altuntas@aschukuk.com

This newsletter has been prepared as of May 3, 2021 for information purposes regarding the amendment to the Regulation on Measures for Preventing Laundering of Crime Revenue and Financing of Terror which published in the Official Gazette dated May 1, 2021 and numbered 31471.

Our assessments in this newsletter do not constitute legal recommendation or legal opinion and Aksu Çalışkan Beygo Attorney Partnership may not be hold responsible from these assessments. It is recommended to obtain legal opinion for your inquiries within the scope of this memorandum.