

MACAO SPECIAL ADMINISTRATIVE REGION

Law 6/2016

Asset freezing regime

The Legislative Assembly decrees, pursuant to Article 71(1) of the Basic Law of the Macao Special Administrative Region, the following with the force of Law:

CHAPTER I PRELIMINARY PROVISIONS

Article 1

Object

This Law establishes the legal enforcement regime of asset freezing decisions, contained in the sanctioning Resolutions of the United Nations Security Council adopted in the framework of the fight against terrorism and proliferation of weapons of mass destruction, which are applicable, by decision of the People's Republic of China, to the Macao Special Administrative Region, hereinafter referred to as "the MSAR".

Article 2

Definitions

For the purposes of this Law, the following definitions shall apply:

- 1) "Assets" means "funds" and "economic resources" of any nature, considering that:
 - (1) "Funds" means financial assets and economic benefits of any kind, including:
 - i) Cash, cheques, claims on money, drafts, money orders and other payment instruments;

ii) Deposits with credit institutions or other entities, balances on accounts, debts and debt obligations;

iii) Publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants and derivatives contracts;

iv) Interest, dividends or other income on or value accruing from or generated by assets;

v) Credit, rights of set-off, guarantees, performance bonds and other financial commitments;

vi) Letters of credit, bills of lading, bills of sale; or

vii) Documents evidencing an interest in funds or financial resources;

(2) “Economic resources” means assets of any kind, whether tangible or intangible, movable or immovable, which are not funds but may be used to obtain funds or services;

2) “Freezing” means a temporary prohibition for the purpose of preventing:

(1) Any move, transfer, alteration, use of or dealing with funds in any way that would result in any change in their volume, amount, location, ownership, possession, character, destination or other change that would enable the funds to be used, including portfolio management; and

(2) The use of economic resources to obtain funds, services or other economic resources, by any means, including sale, leasing and mortgage credit;

3) “Freezing decision” means the normative ruling imposing, in a general or specific manner, the freezing of assets under a sanctioning Resolution of the United Nations Security Council, adopted for the fight against terrorism and

proliferation of weapons of mass destruction, to which the People's Republic of China is internationally bound in relation to the MSAR;

- 4) “Specific freezing ruling” means the freezing decision in which concerned targeted persons and entities are identified or in which such identification is provided for a competent Sanctions Committee, *inter alia* the freezing decisions under the United Nations Security Council Resolutions 1267, of 15 October 1999, 1718, of 14 October 2006, 1737, of 23 December 2006, 1988, of 17 June 2011, and respective subsequent Resolutions;
- 5) “General freezing ruling” means the freezing decision based on the United Nations Security Council Resolution 1373, of 28 September 2001, in which the concerned targeted persons or entities are not identified nor is such identification provided for a competent Sanctions Committee;
- 6) “Competent international body” means the body of an international organization that has the competence under the terms of its respective constitutive treaty to adopt norms, which shall be applied to the parties to that constitutive treaty, or a committee, commission or other entity established by that body, for specific issues, *inter alia*:
 - (1) the United Nations Security Council and its respective Sanctions Committees;
 - (2) the Focal Point and Ombudsperson established to receive delisting requests and claims;
- 7) “Designation act” means the act issued by the competent international organization or by the Chief Executive to identify a natural or legal person or entity to be subject to a freezing decision;
- 8) “Control of assets” means any situation where the targeted natural, legal person or entity subjected to a freezing decision may dispose of, or transfer assets of which the person or entity is not the owner, without requiring prior consent of the owner;

9) “Financial services” means any service of a financial nature, including all insurance and insurance-related services, and all banking and other financial services in accordance with paragraph 5 of the Annex on Financial Services of the General Agreement on Trade in Services, that constitutes Annex 1B of the Agreement establishing the World Trade Organization, including:

(1) Insurance and insurance-related services:

- i) Direct insurance (including co-insurance);
- ii) Reinsurance and retrocession;
- iii) Insurance intermediation, including brokerage and agency; or
- iv) Services auxiliary to insurance, including consultancy, actuarial, risk assessment and claim settlement services;

(2) Banking and other financial services:

- i) Acceptance of deposits and other repayable funds;
- ii) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions;
- iii) Financial leasing;
- iv) all payment and money transmission services, including credit, charge and debit cards, traveller cheques and bankers drafts; or
- v) Guarantees and commitments;
- vi) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise of money market

instruments (including cheques, bills, certificates of deposits), foreign exchange, derivative products (including, but not limited to, futures and options), exchange rate and interest rate instruments (including products such as swaps, forward rate agreements), transferable securities, other negotiable instruments and financial assets (including bullion);

vii) Participation in issues of all kinds of securities, including underwriting and placement as an agent (whether publicly or privately) and provision of services related to such issues;

viii) Money brokering;

ix) Assets management, including cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services;

x) Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments;

xi) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services;
or

xii) Advisory, intermediation and other auxiliary financial services on all the activities listed in the previous subparagraphs, including credit reference and analysis, investment and portfolio research and advice, advice on corporate acquisitions, restructuring and strategy.

Article 3

Scope of application

This Law shall apply to:

- 1) Natural persons who are in the MSAR, or on board any vessel or aircraft

registered in the MSAR; legal persons with head office or domicile in the MSAR, branches, agencies, subsidiaries, delegations or representation offices set up in the MSAR and any entities that are in the MSAR;

- 2) Natural persons who are residents of the MSAR and legal persons established according to the law of the MSAR, wherever they may be;
- 3) Assets, located in the MSAR or on board any vessel or aircraft registered in the MSAR, belonging to a natural person or legal person or entity subject to a freezing decision;
- 4) All transactions and operations relating to assets carried out, by any means, directly or indirectly, fully or partially, in the MSAR or through the MSAR.

CHAPTER II FREEZING

Section I General Provisions

Article 4 Competence

The Chief Executive is the competent authority to execute an asset freezing decision in the MSAR.

Article 5 Asset Freezing Coordinating Commission

1. The Asset Freezing Coordinating Commission, hereinafter referred to as “the Commission”, provides technical assistance to the Chief Executive in the execution of asset freezing decisions, being thereby competent for:

- 1) Setting up and keeping a public database, available on its website on the

internet, with an updated record of the designated natural and legal persons and entities, as well as of frozen assets;

- 2) Communicating to the entities referred in Article 6 of Law 2/2006 (Prevention and Suppression of the Crime of Money Laundering) the publication of the acts provided for in paragraph 1 of the following Article and the act provided for in paragraph 1 of Article 9 of this Law;
- 3) Providing clear guidance to the entities referred to in Article 6 of Law 2/2006 about their obligations and duties under to this Law and issuing specific instructions to ensure their compliance;
- 4) Issuing opinions which may be required, in particular within the scope of Articles 9, 20, 23, 24, 27, 29 and 30;
- 5) Performing other competences established in this Law.

2. The Commission is an entity of multidisciplinary nature composed of representatives of the Public Administration, and whenever necessary, of professionals with specific expertise in the areas related to the Commission's competences.

3. Members of the Commission, as well as other persons participating in its meetings and workers of public services intervening in the procedure for the application of restrictive measures must comply with the obligation of professional secrecy in relation to the personal data, that under this Law, they have access to in the exercise of their functions, without revealing or using them for purposes other than the ones established in this Law, even after the term of their functions.

4. The Chief Executive shall determine the composition of the Commission and shall appoint its respective members through a Chief Executive Order [*Despacho do Chefe do Executivo*, in Portuguese] to be published in the Official Gazette [*Boletim Oficial*, in Portuguese] of the Macao Special Administrative Region, hereinafter referred to as "the Official Gazette".

Article 6
Mandatory publication

1. The following acts shall be published in the Official Gazette, Series II:

- 1) The listing or delisting act issued by a competent international body in accordance with a specific freezing ruling;
- 2) The designation act issued by the Chief Executive in compliance with a general freezing ruling, as well as its renewal or revocation.

2. The acts referred to in subparagraph 1) of the previous paragraph shall be published through a Chief Executive Notice [*Aviso do Chefe do Executivo*, in Portuguese], and the acts referred to in subparagraph 2) of the previous paragraph shall be published through a Chief Executive Order [*Despacho do Chefe do Executivo*, in Portuguese].

Article 7
Freezing

1. Following the publication of the designation act of a natural or legal person or entity, freezing shall be immediately enforced regarding to:

- 1) Assets owned or, directly or indirectly, controlled by the concerned person or entity;
- 2) Assets derived or generated from the assets referred to in the previous subparagraph.

2. Whenever the freezing decision expressly so imposes, the following assets shall be also frozen:

- 1) Assets owned or, directly or indirectly, controlled by natural or legal persons or entities acting on behalf of or at the direction of the designated person or

entity;

- 2) Assets owned or, directly or indirectly, controlled by legal persons or entities that are owned or controlled by the designated person or entity;
- 3) Assets derived or generated from the assets referred to in the previous subparagraphs;

3. It is not permitted to participate in any activity aiming at or with the effect of hampering, directly or indirectly, the provisions of the previous paragraphs.

Article 8

Prohibition to make assets available and to provide financial services

1. Following the publication of the designation act of a natural or legal person or entity, it is not permitted to provide, directly or indirectly, such assets to the designated person or entity or to make them available for the benefit of that person or entity.

2. Whenever the freezing decision expressly imposes so, it is not permitted to:

- 1) Make assets available, directly or indirectly, to natural or legal persons or entities acting on behalf of, or at the direction of, the designated person or entity, as well as to legal persons or entities owned or controlled by the designated person or entity;
- 2) Provide financial services to a designated natural or legal person or entity, and to persons or entities acting on behalf of, or at the direction of, the designated person or entity, and to legal persons or entities owned or controlled by the designated person or entity.

3. The previous paragraphs shall not apply to:

- 1) Any amount of interest credited on frozen accounts or other values or amounts due on those accounts, provided that these interest, values or

amounts are frozen in accordance with the previous Article;

- 2) Any amount credited on frozen accounts from payments due under contracts, agreements or any other obligations that were concluded or arose before the account become a frozen account, provided that such payments are frozen in accordance with the previous Article;
- 3) Any amount credited on frozen accounts which has been received due to co-ownership partition or common patrimony partition provided for in paragraphs 1 and 2 of Article 10 provided that such amounts are frozen in accordance with the previous Article;
- 4) Any other activities or operations expressly authorized in the concerned freezing decision.

4. It is not permitted to participate in any activity aiming at or with the effect of hampering, directly or indirectly, the provisions of paragraphs 1 and 2.

Article 9

Application of restrictive measures to non-designated persons or entities

1. The application of the restrictive measures established in paragraph 2 of Article 7 and in paragraph 2 of the previous Article shall be determined by a Chief Executive Order when the Chief Executive has reasonable grounds to believe that the prerequisites for their application are fulfilled.

2. The verification of the prerequisites provided for in the previous paragraph shall be based on reasonable fact-finding criteria, taking into consideration the fundamental rights involved and the possible prejudice to the interests of third parties, not being dependent on the existence of criminal proceedings.

Article 10

Joint ownership of rights

1. When an asset is jointly owned under a co-ownership regime and only one of the persons is the targeted person subject to a freezing decision, the freezing shall apply to:

- 1) The share belonging to the targeted person, if such share is specified on the constitutive document;
- 2) The whole asset or good, when each person's share is not specified in the constitutive document, without prejudice to the right of any of the co-owners to claim the partition of the jointly-owned asset under general terms.

2. The spouses' common patrimony is subject to freezing as a whole, even if only one of the spouses is a targeted person of a freezing decision, without prejudice to the right of any of the spouses to claim, based on those grounds, the partition of the common patrimony under general terms.

3. If an amount deposited in a credit institution or in another entity is jointly held by several persons, the freezing shall apply to the whole deposit balance corresponding credit, even if one of the joint holders has not been subject to the freezing decision, without prejudice to such joint holder's ability to claim the judicial recognition of his/her ownership of the deposited amounts, under general terms.

4. Once the ownership of a co-owner over the whole or part of the deposit amounts is recognized in accordance with the previous paragraph, he/she may request such amount to be delivered from the respective credit institution or entity.

Article 11

Registry

1. The registration of frozen immovable and movable assets subject to registration is mandatory, and shall be executed by the competent entity for registration purposes, by annotation to the corresponding registration:

- 1) *Ex officio* by the competent entity, following the publication of the designation act of a natural or legal person or an entity;

- 2) By request of the Commission, when a restrictive measure has been applied in accordance with paragraph 2 of Article 7(2).

2. The registration statement provided for in the previous paragraph shall be cancelled by the competent entity, in the corresponding registration, in one of the following circumstances:

- 1) When, in accordance with paragraph 1 of Article 6, the delisting act issued by a competent international body or the revocation act issued by the Chief Executive is published;
- 2) When, in accordance with paragraph 1 of Article 9, there is the revocation or annulment of a Chief Executive Order;
- 3) Partition of a co-owned asset, frozen in accordance with paragraph 1(2) of the previous Article, when it has not been awarded to the targeted person of the freezing decision;
- 4) Partition of the spouses' common patrimony, frozen in accordance with paragraph 2 of the previous Article, in relation to the assets which will become property of the spouse who is not the targeted person of the freezing decision;
- 5) The expiration of the designation act, when the act has failed to be renewed in accordance with Article 27;
- 6) The termination of freezing of an asset in accordance with paragraph 2 of Article 28;
- 7) The annulment of the designation act, or of its renewal, by a *res judicata* sentence, in accordance with Article 31.

3. The cancellation of the registration provided for in the previous paragraph is executed *ex officio* under the circumstances provided for in subparagraphs 1) and 5), at

the request of any interested party or at the petition of the Commission under the circumstances provided for in subparagraphs 2) to 4) and 7), and at the petition of the Commission under the circumstances provided for in subparagraph 6).

Article 12
Access to assets

1. The Chief Executive may authorize, upon request of any interested party, to terminate the freezing of certain assets or to make those assets available, provided the conditions met are deemed appropriate, once he/she has determined that those assets:

- 1) Are necessary to satisfy basic expenses, including payments for foodstuffs, rent, mortgage, medication, medical treatment, taxes, or public services;
- 2) Are intended exclusively for payment of professional fees, in a value considered reasonable, and reimbursement of incurred expenses associated with the provision of legal services;
- 3) Are intended exclusively for payment of fees or service charges for the maintenance and regular management of the frozen assets;
- 4) Are necessary for payment of extraordinary expenses;
- 5) Are necessary for other payments expressly authorized in the pertaining asset freezing decision.

2. The procedure that regulates the access to assets is provided for, as the case may be, in Article 21 or 29.

Article 13
Frozen assets administration

1. When it is necessary to provide for the administration of frozen assets, the court shall appoint an administrator for those assets, upon request of any interested party.

2. If the assets are deposited in banks or in other financial institutions, the latter may also be appointed as administrators.

3. The administrator must perform its functions with the due diligence and care of a *bonus pater familiae*.

4. The administrator is responsible for submitting the accounts before the court for assessment and approval of the obtained revenue and the expenses which have been made with the frozen assets during the administration period, on an annual basis or at any time at the request of the court, and when the administration terminates.

5. Pursuant to the previous paragraph, the administrator is entitled to the reimbursement of expenses which the court considers indispensable for the maintenance or regular management of the frozen assets.

6. Annually, or when the administration is terminated, the court may establish a compensation for the administrator's work based on an equity judgement, considering the duration and volume of the tasks thereby performed.

7. The administration terminates when the reasons which have determined it cease to exist.

8. The general provisions applicable to voluntary jurisdiction procedures in the Civil Procedure Code shall be applicable to the procedure provided for in the present Article.

Article 14

Freezing of perishable assets or of assets subject to deterioration

1. If the freezing pertains to perishable assets or to assets that are subject to deterioration, any interested party may request judicial authorization to sell them, on the grounds of a well-founded fear that they will perish or deteriorate.

2. When the owner is not the requesting party in the proceedings, the owner of

those assets shall be summoned to challenge the judicial decision within five days, except if the urgency of the sale of the assets imposes an immediate decision from the court.

3. In the court order whereby the sale of the assets is determined, the court shall appoint the person in charge of the sale, the minimum price for which the sale of the assets can be made, and the bank account where the amount shall be deposited.

4. The person appointed by the court for the sale shall act as mandated representative, which is supported by the corresponding court order certificate.

5. Before the document certifying the sale is issued, the price amount must be compulsorily deposited by the purchaser in the bank account referred to in the court order, being such corresponding amount immediately frozen in accordance with Article 7.

Article 15

Identity verification

1. If the assets belonging to a natural or legal person or entity are frozen due to the fact that such person or entity has an identical identity as that of a designated person or entity, any interested party may submit a request to the Commission invoking such non-conformity.

2. Once the request has been received, the Commission shall verify the petitioner's grounds, as briefly as possible, checking if the identity of the natural or legal person or entity whose assets were frozen corresponds to the identity of a person or entity identified in a designation act.

3. Once the lack of correspondence of identity has been ascertained, the Commission shall communicate such fact to the entity where the assets are frozen, which shall terminate the application of the freezing measure as soon as possible.

Article 16

Providing information

1. The entities referred to in Article 6 of Law 2/2006 are subject to the following duties:

- 1) To communicate to the Commission any action taken in compliance with this Law, *inter alia* information regarding frozen assets;
- 2) To report to the Commission, within two working days upon its detection of any operation, where there is a reasonable presumption that a natural or legal person or entity is acting on behalf of, or at the direction of, a designated person or entity, or that the legal person or entity is owned or controlled by a designated person or entity;
- 3) To report to the Commission, within two working days upon its detection of an attempt to perform operations which violate the provisions of Article 7 or 8.
- 4) To collaborate with the Commission in the verification of information when required.

2. The compliance with the duties established in subparagraphs 2) to 4) of the previous paragraph does not entail, for lawyers and solicitors, within the scope of the operations referred to in subparagraph 5) of Article 6 of Law 2/2006, the obligation of disclosing information obtained in the course of ascertaining the legal position for a client, within the context of legal counseling, or in the course of legal defense or representation of a client in judicial proceedings or concerning judicial proceedings, including advice on instituting or avoiding proceedings, whether the information is obtained before, during or after such proceedings.

3. The disclosure of information, in good faith, in compliance with the duties established in paragraph 1, shall not constitute breach of any secrecy, nor shall it imply responsibility of any nature to whoever made such disclosure.

4. The Commission shall provide the Chief Executive with all the information

collected, in accordance with paragraph 1, submitting, where appropriate, the measures that it deems necessary to be adopted.

5. All the additional information directly received by the MSAR shall be made available to the Commission.

Article 17

Personal data

1. The Commission shall, in accordance with the provisions of Law 8/2005 (Personal Data Protection Act), process and combine personal data with other public or private entities that possess the data necessary for the implementation of this Law, to the extent necessary for the exercise of its competences.

2. Whenever it is necessary for the purposes set out in this Law, the provision of information exempts the obligation to inform the concerned person at the time of collecting and processing his/her personal data.

Article 18

Exemption of liability

1. The freezing of assets, as the refusal to make them available or to provide financial services, when it is assumed in good faith that they are in compliance with this Law, shall not give rise to any liability to the natural or legal person who carried out such actions, nor for its workers or managers, except in case of negligence.

2. The non-compliance with the obligations provided for in Articles 7 and 8 shall not give rise to any liability to the natural or legal persons or entities which have not carried out the freezing of assets or made assets or financial services available, when they had no acknowledge or reasonable grounds to suspect that such acts would infringe the obligations in question.

Section II

Specific Freezing Ruling

Article 19

Notification

1. Following the application of a freezing measure in accordance with paragraph 1 of Article 7, the Commission shall notify the designated natural or legal person or entity:

- 1) Of the founding grounds provided by the competent international body, *inter alia*, the corresponding part of statement that can be disseminated to the public and a descriptive summary of the reasons to be included in the list;
- 2) Of the rights of the designated person or entity, in particular, to which entity the defense and the application for delisting should be submitted.

2. Any complaint lodged by a designated natural or legal person or entity shall be forwarded to the Central People's Government by the Chief Executive for it to be submitted to the competent international body.

3. Following the application of a freezing measure in accordance with paragraph 2 of Article 7, the Commission shall notify the designated natural or legal person or entity accordingly.

Article 20

Listing proposal

1. When a natural or legal person or entity fulfils the designation criteria established in a specific freezing ruling, the Chief Executive may suggest to the Central People's Government to propose the concerned person or entity to the competent international body for designation.

2. The suggestion for designation provided for in the previous paragraph shall be based on reasonable fact-finding criteria, taking into consideration concerned fundamental rights and the possible prejudice to the interests of *bona fide* third parties; the suggestion is not subject to the existence of criminal proceedings.

3. When the Chief Executive makes a designation proposal, the Chief Executive shall provide as much relevant information as possible on the natural or legal person or entity, in particular:

- 1) Sufficient information to allow the precise identification of the person or entity and the information requested by the International Criminal Police Organization (INTERPOL) to issue a special notification;
- 2) A detailed description of the case, that may, whenever requested, be disseminated and used as a narrative summary of the reasons of the listing, except the parts thereof that the Chief Executive considers confidential.

Article 21

Procedure to have access to the assets

The procedure established in Article 10 of Law 4/2002 (Law on the Compliance with Certain Acts of International Law) shall be applicable to request for access to assets, without prejudice to the following:

- 1) The competences conferred to the supervisory entities under that Article are performed by the Commission;
- 2) Under the circumstances provided for in paragraphs 1(1), 1(2), 1(3) and 1(5) of Article 12, access to assets shall be authorized, if the competent international body, after notification of the intention to grant access to the assets, does not oppose under the established timeframe of the specific freezing ruling;
- 3) Under the circumstances provided for in paragraph 1(4) of Article 12, access to assets shall be authorized if the competent international body, after notification of the intention to grant access to the asset, expressly approves such access.

Article 22

Delisting

1. When the competent international body decides to withdraw a designated natural or legal person or entity from the respective list, all restrictive measures provided for in Articles 7 and 8 cease to be applicable after the publication of such act, in accordance with paragraph 1(6) of Article 6.

2. Following the publication of the delisting act of a designated natural or legal person or entity to whom a freezing measure was applied as provided for in Article 7, the Commission shall notify the concerned person or entity of the termination of the measure.

Article 23

Delisting proposal

1. When it is ascertained that the natural or legal person or entity no longer fulfils the designation criteria established in a specific freezing ruling, the Chief Executive suggests to the Central People's Government to propose the delisting of such person or entity to the competent international body.

2. The delisting falls within the exclusive competence of the respective competent international body.

Section III

General Freezing Ruling

Article 24

Designation act requirements

1. In compliance with a general freezing ruling, the Chief Executive may designate natural or legal persons or entities when there are reasonable grounds to believe that they have committed or attempted to commit or facilitate or participate in the commission of any terrorist acts under Law 3/2006 (Prevention and Suppression of

Terrorism Crimes).

2. The Chief Executive may also designate natural or legal persons or entities acting on behalf of, or at the direction of, the persons or entities referred to in the previous paragraph, as well as legal persons or entities owned or controlled, directly or indirectly, by the designated persons or entities.

3. The designation act provided for in the previous paragraphs may be issued upon request of another jurisdiction; the notification procedure provided for in Law 3/2002 (Notification Procedure of Requests within the Framework of Mutual Legal Assistance) shall be applicable with necessary adaptations.

4. The designation act provided for in the previous paragraphs shall be based on reasonable fact-finding criteria, taking into consideration the fundamental rights involved and the possible prejudice to the interests of third parties, not being dependent on the existence of criminal proceedings.

5. The designation act procedures are conducted by the Commission.

Article 25

Details

Without prejudice to other specifications as required by law, the designation act shall contain at least the following information:

- 1) Name, including aliases, if any, nationality, gender and passport or ID card number, in the case of natural persons;
 - 2) Name, place, date and number of registration, in the case of legal persons.
2. The designation act also includes, where available:

- 1) Date and place of birth, address or other information on the whereabouts, profession or functions exercised and any distinguishing physical characteristics, in the case of natural persons;

- 2) Place of business in the case of legal persons or entities.

Article 26 **Notification**

1. Following the publication of the designation act, in accordance with paragraph 1(2) of Article 6, the Commission shall notify the designated natural or legal person or entity.

2. Following the application of a freezing measure in accordance with paragraph 2 of Article 7, the Commission shall notify the designated natural or legal person or entity accordingly.

3. The application of restrictive measures established in Articles 7 and 8 shall not be dependent on the notification procedure provided for in the previous paragraphs.

Article 27 **Time-limit**

1. The designation act shall take effect for a period of two years from the date of its publication in the Official Gazette, and may be renewed by the Chief Executive for periods not exceeding one year, provided that the prerequisites are fulfilled.

2. The designated natural person, legal person or entity has the right to be heard in the renewal procedure for the designation act before the final decision is taken, and shall be informed of the probable decision.

Article 28 **Asset seizure or confiscation**

1. Within the scope of the present Section, the application of a freezing measure over assets does not preclude that it may be seized in accordance with the Criminal Procedure Code.

2. In the cases where a frozen asset is declared lost in favor of the MSAR by a *res judicata* sentence, the freezing measure shall cease from that date and the Commission shall be notified of that fact by the court.

Article 29

Procedures to have access to the assets

1. Whoever intends to benefit from the authorization provided for in paragraph 1 of Article 12 shall make a duly substantiated request to the Commission, with all information and documents deemed to be necessary to justify the application of the exceptions thereof.

2. The application request to have access to the frozen assets is duly conducted by the Commission. The Commission shall forward the request to the Chief Executive in order to obtain a decision.

3. The Chief Executive shall forward the approval or denial to the Commission. The Commission shall immediately notify the petitioner as well as other parties or entities that have a direct interest.

4. The request to access the assets shall be dealt with within a maximum of 15 days, with preference given to requests under paragraph 1(1) of Article 12.

Article 30

Revocation

1. When a natural or legal person or entity no longer meets the requirements which substantiate the designation, the Chief Executive shall, *ex officio* or at the request of any concerned party, revoke the designation act and all the restrictive measures provided for in Articles 7 and 8 shall be terminated from the date of the publication of the revocation act in the Official Gazette.

2. The revocation act procedures are conducted by the Commission.

CHAPTER III
CONTENTIOUS ADMINISTRATIVE APPEAL AND SANCIONATORY
PROVISIONS

Article 31
Contentious administrative appeal

1. Under this Law the following acts of the Chief Executive or of the Commission may be subject to contentious administrative appeal:

- 1) The application of restrictive measures to non-designated persons or entities under Article 9;
- 2) The rejection of the request for identity verification under Article 15;
- 3) The designation act, in accordance with Article 24;
- 4) The renewal of the designation act, in accordance with Article 27;
- 5) The denial of the request to have access to frozen assets, in accordance with Article 29;
- 6) The rejection of the request to revoke the designation act under Article 30.

2. In the contentious administrative appeal referred to in subparagraphs 1), 3) and 4) of the previous paragraph, it is assumed that suspending the effects of the appealed act shall cause serious damage to public interest, unless proven otherwise.

3. The contentious administrative appeal provided for in the present Article is urgent.

Article 32
Sanctions

Without prejudice to the applicable criminal sanctions, non-compliance with the provisions of Article 7, of paragraphs 1, 2 and 4 of Article 8, and of paragraph 1 of Article 16 constitutes an administrative infraction, punishable with a fine of:

- 1) 10,000.00 to 500,000.00 patacas to a natural person;
- 2) 100,000.00 to 5,000,000.00 patacas for a legal person or entity.

Article 33

Sanctionatory procedure

1. The General Framework for Administrative Infractions and Respective Procedure, adopted by Decree-law 52/99/M, of 4 October, shall be applicable with necessary adaptations to the procedure of the administrative infractions provided for in the previous Article, without prejudice to the following paragraphs.

2. The Commission shall have the competence to initiate and conduct proceedings in relation to administrative infractions provided for in the previous Article.

3. The Chief Executive shall have the competence to apply the fines for administrative infractions provided for in the previous Article.

Article 34

Recidivism

1. For the purposes of this Law, recidivism is considered the practice of an administrative offence with the same nature within the period of one year after the administrative penalty decision cannot be challenged.

2. In case of recidivism, the minimum amount of the fine shall be increased by a quarter and the maximum value remains unchanged.

Article 35

Liability of legal persons

1. Legal persons, even if irregularly formed, associations without legal personality and special commissions shall be liable for the administrative offences provided for in this Law, when they are committed by their bodies or representatives, acting on their behalf and in their collective interest.

2. The liability referred to in previous paragraph is excluded when the agent has acted against the expressed orders or instructions of whoever has the right to deliver them.

3. The liability of the entities referred to in paragraph 1 shall not exclude the individual liability of the respective agents.

4. Legal persons, even if irregularly formed, associations without legal personality and special commissions shall be jointly liable for the payment of fines, compensation damages, judicial expenses or any other costs when their agents are convicted of the offences under the previous paragraph.

Article 36

Liability to pay fines

1. Without prejudice to the following paragraphs, liability to pay fines rests with the offender.

2. If the offender is a legal person, for the fine payment, all the administrators or who otherwise represents the legal person shall be jointly liable, when held liable for the administrative offence.

3. If the fine is applicable to an association without legal personality or to a special commission, the common property of such association or commission shall be used for the payment, and in its absence or insufficiency, the property of each associate or member shall be used, in a joint liability regime.

**CHAPTER IV
FINAL PROVISIONS**

**Article 37
Applicable subsidiary law**

1. The Administrative Procedure Code and the Administrative Contentious Procedure Code shall be subsidiarily applicable to the administrative acts provided for in this Law.

2. The Civil Procedure Code shall be subsidiarily applicable to the procedures provided for in Articles 13 and 14.

**Article 38
Entry into force**

This Law shall enter into force on the day following its publication.

Approved on August 12, 2016.

The President of the Legislative Assembly, _____
Ho Iat Seng

Signed on August 22, 2016.

To be published.

The Chief Executive, _____

Chui Sai On