

REPUBLIC OF ARMENIA

DAYS:

Adopted April 16, 2020

ON SEIZURE OF PROPERTY OF ILLEGAL ORIGIN

CHAPTER 1

GENERAL PROVISIONS

Article 1 **Scope of this law**

1. This law regulates the relations related to the confiscation proceedings of property of illegal origin, defines the grounds for initiating an investigation, initiates proceedings for confiscation of property of illegal origin to conduct an investigation, regulates the rules of international cooperation on confiscation of property of illegal origin. other relations related to confiscation of property of illegal origin.

Article 2 **Legislation regulating the confiscation of property of illegal origin**

1. Relations related to confiscation of property of illegal origin in the Republic of Armenia are regulated by this Law, the Civil Procedure Code of the Republic of Armenia, the Civil Code of the Republic of Armenia and other laws.

2. If this law establishes rules other than the Civil Procedure Code of the Republic of Armenia, the Civil Code of the Republic of Armenia or other laws, the rules established by this law shall apply.

Article 3 **The main concepts used in the law**

1. The following main concepts are used in this law:

1) **Property - property** envisaged by Part 1 of Article 132 of the Civil Code of the Republic of Armenia, including cryptocurrency;

2) **Property of illegal origin - property**, including one unit of property, several units of property or one unit of property, the acquisition of which is not substantiated by legal income in the manner prescribed by this law, regardless of whether it was acquired before or after the entry into force of this law. , as well as the proceeds from the use of such property (fruits, products, income).

3) **Legal income - income received in** drams, foreign currency, cryptocurrency or natural (non-monetary) form of the Republic of Armenia in accordance with the norms of applicable law determined in accordance with Article 1277 of the Civil Code of the Republic of Armenia

a. remuneration or other equivalent payments

b. Use, use of any copyright, patent, trademark, design or model, plan, secret formula or process for the use of literature, art or scientific work, software, industrial computer, database software, or industrial, commercial, scientific equipment Remuneration (royalty) received for providing information on law or industrial, technical, organizational, commercial, scientific experience to Author's remuneration;

c. received loans (credits),

d. Interest received on loans to Other compensation

e. dividends

- f. Income (winnings) in casinos or games of chance,
- is. competitions or contests, as well as cash or cash prizes (prizes),
- h. Property received through donation or assistance (cash);
- թ. Inherited property (cash)
- h. insurance compensations,
- ժւ. Income from business activities,
- ժբ. Income from alienation of property,
- ժգ. rent payment or other compensation
- ժդ. lump sum payments,
- o. Income from property rights,
- ժզ. Income from other civil contracts,
- ժէ. pension,
- h. Income from the sale of agricultural products or agricultural activities.

4) **a crime envisaged by this law:** An act committed in the territory of the Republic of Armenia or outside its borders, which contains Article 125.1, Article 132, Article 132.2, Article 154.2, Article 154.9, Part 2 of Article 178 of the Criminal Code of the Republic of Armenia Clause 1.1 or Part 3 (if performed using an official position), Article 179 2 2 (1) or Part 3 (if performed using an official position), Article 180 3- 3 Article 182, Part 3, Article 189.1, Part 2, Point 1 or Part 3 (if done using an official position), Article 190, Article 191, 195- Article 201, Part 2, Article 201, Article 202, Article 215.1, Article 217, Article 217.1, Article 222, Article 223, Part 3; Article 224, Part 3, Article 233, Article 235, Part 3, Article 235.1, Article 261, Part 2 or 3, Article 262, Part 2 or 3, Article 266, Article 267.1, Article 274, Article 308, Article 309, Article 310, Article 310.1, Article 311, Article 311.1, Article 311.2, Article 312, Article 312.1; Article 312.2, Article 313, Article 314, Article 314.2, Article 314.3, Article 332, Part 3, Article 338.3, Article 352 or Article 375 features. Article 2, Article 313, Article 314, Article 314.2, Article 314.3, Article 332, Part 3, Article 338.3, Article 352 or Article 375 features. Article 2, Article 313, Article 314, Article 314.2, Article 314.3, Article 332, Part 3, Article 338.3, Article 352 or Article 375 features.

5) **Property belonging to a person** - property which:

- a. The right of ownership belongs to the given person, including in case of common share ownership, the share belonging to the person, and in case of common joint ownership, the property as a whole,
- b. belongs to another person with the right of ownership, or to whom the right of ownership has not arisen, but whose real beneficiary is the given person,
- c. During the period under review, the person was transferred free of charge or in fact free of charge or at a price significantly lower than the market price to a person affiliated with him / her.

6) **Real beneficiary** - a natural person on whose behalf, for whose benefit or at whose expense the transaction (operation) was carried out, or a natural person who controls or has supervised the transaction (operation) or the person on whose behalf or for whom the transaction (operation) was carried out .

7) **affiliated person** - a legal entity affiliated with a person, a close relative or any legal or natural person with whom the person conducts a common economy or joint venture, or any legal or natural person to whom the person is gratuitous or de facto gratuitous or substantially more market-based. transferred property at a low price.

8) **Affiliated legal entity** - a legal entity considered to be affiliated within the meaning of Article 3, Part 1, Clauses 25-26 of the Law on State Registration of Legal Entities, Separate Subdivisions of Legal Entities, Institutions and Individual Entrepreneurs.

9) **close relative:** family member, adult child, parent, sister, brother (including father or cousin), grandmother, grandfather, grandchildren, uncle, aunt, uncle or their family members, the parents of the spouse, for the latter: the groom և the bride.

10) **family member** - spouse, minor child, person under guardianship or trusteeship or any adult person living together for at least 180 days during the study period;

11) **official - a person** holding or holding a public position within the meaning of the current edition of the Law on Public Service or a person holding a position equivalent to such a position at the moment of starting the investigation. A person is considered to have held a position equivalent to a person who performs identical or similar functions to the functions he / she performs at the moment of starting the study within the meaning of the current edition of the Law on Public Service.

12) **Proceedings for confiscation of property of illegal origin** - a procedure initiated by a competent body for the confiscation of property of illegal origin, which begins with the decision to initiate an investigation into the grounds for filing a lawsuit, includes filing a lawsuit for civil confiscation of property; on the final judicial act that has entered into force or on other grounds provided by this law;

13) **Examination of the grounds for initiating a lawsuit** (hereinafter referred to as the investigation) - a procedure aimed at obtaining information on the existence of property of illegal origin, its volume, and the circle of interested persons;

14) **Substantially below market price** - the value of the transaction compensation, which is 80% lower than the same, and in its absence, the real value of such property alienation transactions during the period of alienation of a similar property;

15) **Competent body** - a responsible subdivision of the General Prosecutor's Office of the Republic of Armenia;

16) **Interested person** - a person whose rights or obligations may be substantially affected by the confiscation of property;

17) **Court of First Instance** - Court of General Jurisdiction of the city of Yerevan.

CHAPTER 2:

STUDYING THE GROUNDS FOR LAWSUIT

Article 4 Duty to start a study

1. The prosecutor supervising the legality of the pre-trial criminal proceedings in relation to points 1-4 of part 1 of Article 5 of this Law, and the body that has taken the relevant measures in relation to point 5 of part 1 of Article 5 of this Law shall be obliged to within ten days after becoming aware of the existence of the grounds for initiating a study, inform the competent body about it and transfer all the documents and data that may refer to the grounds for starting a study defined by this law. The data on the process envisaged in this part are not subject to publication.

2. As a result of the verification of the existence of grounds for initiating an investigation, the competent body shall make a decision within ten days whether to initiate an investigation or not to initiate an investigation.

3. The competent authority shall initiate an investigation on the basis of the submitted materials or on its own initiative, if:

1) there is at least one of the grounds for starting a study provided by this law;

2) there are sufficient grounds to assume that the property of illegal origin discovered during the investigation may exceed the threshold provided for in part 1 of Article 24 of this Law at its market value.

4. The decision to initiate an investigation shall be immediately sent to the Deputy Prosecutor General of the Republic of Armenia (hereinafter referred to as the Prosecutor General) to the Deputy Coordinator of the Sphere, who shall have the right to revoke the decision within seven days of receipt.

5. The decision not to initiate an investigation shall be immediately sent to the superior prosecutor, who, if he / she deems the grounds for initiating an investigation sufficient, shall annul the decision made within seven days and instruct him / her to initiate an investigation.

6. If the materials provided to the competent body in accordance with part 1 of this Article are sufficient to initiate a claim in accordance with this Law, and there are no other circumstances to be clarified, the competent body may summarize the preliminary results of the study immediately after the start of the investigation. prepares a summary of the measures taken to initiate a claim for confiscation of property of illegal origin.

Article 5 Grounds for starting a study

1. In the manner prescribed by this law, the competent body may initiate an investigation if the following grounds exist:

1) there is an indictment that has entered into legal force, which confirms the commission of any of the crimes provided by this law, and there are sufficient grounds to suspect that the convicted person or a person related to him owns property of illegal origin; which was not confiscated by the verdict.

2) the person has been involved in the initiated criminal case as an accused for committing any of the crimes envisaged by this law, and there are sufficient grounds to suspect that there is property of illegal origin;

3) there are sufficient grounds to suspect that there is property of illegal origin, but criminal prosecution or initiation of a criminal case in connection with the commission of any of the crimes provided by this law is impossible on one of the following grounds;

a. A law on amnesty was adopted,

b. the statute of limitations has expired,

c. the person is dead

d. At the time of committing the act, the person has not reached the age to be prosecuted, provided by law.

4) there are sufficient grounds to suspect that there is property of illegal origin, but the criminal case initiated in connection with any of the crimes envisaged by this law has been suspended on any of the grounds provided for in Article 31 (1) of the Criminal Procedure Code of the Republic of Armenia;

5) According to the data found as a result of operative-investigative measures defined by the Law on Operative-Investigative Activities, there are sufficient grounds to suspect that the official or a person affiliated with him owns property of illegal origin.

2. The actions included in the study may be taken in case of the need for international mutual assistance in the manner prescribed by this law.

3. An investigation may be initiated on the basis of point 1 of part 1 of this Article in case of an indictment made by a foreign court, if it has been recognized in the Republic of Armenia.

Article 6 Initiation of a study and Legality of the study

1. In the case provided for in Part 3 of Article 4 of this Law, the competent body shall make a decision to initiate an investigation, stating the factual data underlying it, the basis provided for in Article 5 of this Law, on the basis of which the confiscation of property of illegal origin begins. proceedings. In deciding to initiate an investigation, the competent authority shall indicate the details of the person who allegedly owns the property of illegal origin.

2. An investigation of the same property may be initiated if there is a ground other than the grounds of the previous investigation which was not known and could not have been known to the competent authority at the time of the commencement of the previous investigation.

3. The competent body may resume the completed investigation in case of new or new circumstances defined by the Civil Procedure Code of the Republic of Armenia, in order to prepare a complaint to review the judicial act in accordance with the relevant regulations of the Civil Procedure Code of the Republic of Armenia.

4. Initiation of an investigation in violation of the procedural requirements stipulated by this law, regulating its implementation, cause only such consequences, which are directly envisaged by this law, the Civil Procedure Code of the Republic of Armenia or other laws.

Article 7 Limits of the study:

1. In order to find out the existence of the necessary grounds for filing a claim for confiscation of property of illegal origin, the competent body shall collect materials on the following issues:

- 1) the property belonging to the person, its location, sources of acquisition;
- 2) the market value of the property at the moment of its acquisition and as of the study;
- 3) conversion of property into other types of property and proceeds from the use of property;
- 4) Known income and expenses of the acquirer of the property and expenses, including average monthly living expenses;
- 5) property transactions;
- 6) encumbrance of property with the rights of other persons.

2. Based on the circumstances known from the materials of the investigation of the property of illegal origin, the competent body shall determine the period under investigation, which includes the period from the decision to start the investigation to the end of the investigation, as well as the period before the decision to initiate the investigation, longer than ten years prior to the decision to initiate the study, except as provided in paragraph 3 of this Article.

3. If the materials of the study reveal suspicions about the property of illegal origin acquired earlier than the period provided for in part 2 of this Article, the evidence related to the acquisition of such property is preserved, the competent body shall make a decision setting a new period to be studied. may include only the period after September 21, 1991.

Article 8 Terms of the study

1. The study may last for a maximum of two years, which may be extended by a decision of the competent authority for a period of up to one year, if this is due to the need to comply with a request for international cooperation or to act on information received through international cooperation.

2. A claim submitted in violation of the terms provided for in this Article shall be considered filed with the omission of the statute of limitations.

Article 9 Confidentiality of the study

1. The circumstance of initiating an investigation, its grounds, information on its course and the data obtained as a result are confidential, subject to provision to interested persons only in the manner prescribed by this Law, and to other persons only with the consent of the competent body. The competent authority shall warn the persons concerned, their representatives, experts, specialists, translators, the data obtained from the results of the study of other persons involved, of the obligation not to publish without permission, of the legal liability for violation of the relevant obligation.

Article 10 Peculiarities of conducting parallel investigation in criminal proceedings

1. Statements made in the course of confiscation of property of illegal origin and Testimony given during the trial, in accordance with the rules of criminal procedure, may not be used in the criminal

case against the person who gave it or his close relatives, except in criminal cases of false testimony or false betrayal; or if the person presents his or her testimony or statement as evidence in a criminal case.

2. Immediately after the application of the precautionary measures, and in case of absence of the necessity of application, immediately after the preliminary summary of the results of the investigation, the examination of the grounds for initiating a claim shall be suspended by the decision of the competent body. In case of making a decision to suspend the investigation process on the basis of this article, all the terms related to the investigation process shall be suspended. After the end of the preliminary examination, the suspended terms continue for the rest of the term.

3. The termination of the criminal proceedings in parallel with the proceedings provided for by this Law, including the issuance of a verdict of acquittal, or the termination of the criminal proceedings or the termination of the criminal prosecution on acquittal grounds shall not be grounds for termination of the proceedings on confiscation of property of illegal origin.

Article 11 The powers of the competent authority during the study

1. For the purpose of conducting an investigation, the competent body has the right to:

1) Legal acts, documents, other information, including tax or customs secret information, preliminary examination data, to request, receive, receive a request from state or local self-government bodies, state or community, as well as organizations with state or community participation; .

2) to request from individuals l legal entities n1 to receive information in their possession l documents, except for the information provided for in Article 12 of this Law tpi documents, which may be provided without the consent of the person in the manner prescribed by Article 12 of this Law; to make a report in order to obtain the necessary information.

3) free use of the information database used for official purposes (including electronic);

4) In case of necessity to involve a relevant specialist or expert (specialized expert institution) at the expense of the means envisaged by the state budget;

5) to instruct the circle of real beneficiaries, affiliated persons tuquunulnq to carry out operative-investigative measures envisaged by the Law on Operative-Investigative Activities in order to find out the volume of property. On the basis of the assignment defined by this point, the points defined by points 8, 11, 11, 12, 13, 15 and 16 of Article 14 of the Law on Operative-Investigative Activities may not be implemented. operative-investigative measures.

6) To use the online databases containing the necessary data to obtain information on property outside the Republic of Armenia l to send a request for information to the competent authorities of a foreign state in accordance with international treaties ratified by the Republic of Armenia or the legislation of that state;

7) to exercise other powers provided by this law.

2. The competent body may apply to the Corruption Prevention Commission to analyze the declaration provided in the manner prescribed by this Law l to receive the results of the analysis.

3. The information requested in accordance with the procedure provided for in points 1 l 2 of Part 1 of this Article shall be subject to provision within two weeks from the moment of receiving the relevant request.

Article 12 Requiring evidence before filing a lawsuit

1. During the course of the investigation, the competent authority may collect information containing secrets protected by law in accordance with the procedure established by this Article.

2. The competent authority shall take the necessary measures to protect the confidential information obtained during the investigation.

3. The competent authority may apply to the court of first instance by submitting notarial, banking, insurance or trade secret information, information on securities transactions, credit information or credit history required by the Central Depository as defined by the Law on Securities Market.

4. The court examines the claim without convening a hearing and makes a decision within seven days after receiving the application. At the initiative of the court, for the purpose of obtaining additional clarifications, a court session may be convened, the time and place of which shall be notified only to the competent body.

5. The court shall decide on the request for the requested information if the competent body substantiates that the data are necessary for the discovery of facts relevant to the investigation. The court decision is sent only to the competent body.

6. If the request for evidence is satisfied, the court of first instance shall make a decision on the request for evidence, stating the evidence to be provided to the competent body, the time limit for providing that evidence, and, if necessary, the procedure for providing it.

7. The decision to reject the application may be appealed by the competent body to the Civil Court of Appeal of the Republic of Armenia (hereinafter referred to as the Civil Court of Appeal) within seven days from its receipt, and the decision of the Civil Court of Appeal may be appealed to the Court of Cassation. within fifteen days. The decision to accept the appellate-cassation appeals shall be sent only to the competent body.

8. The decision to satisfy the application may be appealed by the person in whose case the court decision was made. The decision of the court may be appealed to the Civil Court of Appeal within seven days from the moment of its receipt in accordance with this Law, and the decision of the Civil Court of Appeal may be appealed to the Court of Cassation within fifteen days from the moment of receiving the decision of the Civil Court of Appeal. The appeal of the judicial act does not stop the process of confiscation of the property of illegal origin.

9. The appellate-cassation appeals submitted on the basis of parts 7 and 8 of this Article shall be examined without convening a court session, in accordance with the procedure provided for by the Civil Procedure Code of the Republic of Armenia.

10. Based on the court decision on requesting the evidence, the competent body may apply to receive the information provided by the decision from the persons who possess it.

11. In case the evidence is not submitted to the competent body within the terms specified in the court decision, the competent body shall receive a writ of execution drawn up on the basis of the decision of the court of first instance to demand evidence; it shall send it for compulsory execution. The decision to request evidence is made immediately in accordance with the Law on Compulsory Enforcement of Judicial Acts.

12. The persons who provide the requested information on the basis of this article are obliged to maintain the confidentiality of the provision of that data; not to disclose the existence of the study or the provision of the data to other persons, including their clients.

Article 13 Preliminary summary of the study results

1. Based on the preliminary results of the study, the competent body shall compile a summary of the results of the study, which shall decide:

- 1) terminate the proceedings for confiscation of property of illegal origin or:
- 2) take measures to initiate a claim for confiscation of property of illegal origin.

2. The competent body may take measures provided for by this Law to initiate a claim for confiscation of property of illegal origin, if there are sufficient grounds to assume that the person owns property of illegal origin, the value of which exceeds Article 24 of this Law. threshold provided for.

3. In the event that it is not possible to reasonably conclude on the basis of the summary that there is property of illegal origin to be confiscated in the manner prescribed by this Law, the

competent body shall decide to terminate the confiscation proceedings. The decision to terminate the confiscation proceedings shall be immediately sent to the Deputy Prosecutor General, who coordinates the case.

Article 14 Application of pre-litigation measures for the property

1. After compiling the summary based on the preliminary results of the study, the competent body may submit an application to the Court of First Instance on the application of precautionary measures, which shall be examined in accordance with the Civil Procedure Code of the Republic of Armenia.

2. The requirements provided for in Article 137, Part 4, Clauses 1-4 and 6, and Article 137, Part 5, Clause 1 of the Code of Civil Procedure of the Republic of Armenia shall be submitted to the application on the application of preliminary security measures. .

3. When submitting the application provided for in this Article, the applicant is released from the obligation to pay a state fee, as well as the amount providing compensation for possible damages, to a court deposit.

4. The subject matter of the claim and the partial or complete coincidence of the subject matter of the pre-claim application is not a ground for rejecting the application.

5. The term provided for in Article 137, Part 9 of the Civil Procedure Code of the Republic of Armenia in connection with the means of preliminary security of a claim applied on the basis of this Law is six months. If the competent body has made a decision to suspend the investigation in the manner prescribed by this Law, the period of six months provided for in this part shall be suspended from the moment the court applying the preliminary security measure receives the decision to suspend. Immediately after the resumption of the investigation, the court that applied the precautionary measure of the lawsuit is informed about it, and the process of submitting the lawsuit continues for the rest.

6. The norms of the Civil Procedure Code of the Republic of Armenia on counter-security may not be applied to the applicant.

7. In addition to the grounds provided for in Article 134, Part 2 of the Civil Procedure Code of the Republic of Armenia, in case of application of the initial security measures of the claim on the basis of this Law, and later on the security measures of the claim, the security measure may be completely or partially revoked upon that person's application. , on whose property the security measure has been applied, if he substantiates that the release of a part of the property is necessary to cover the expenses of his lawyer or the reasonable living expenses of himself or the persons under his care or to pay alimony or compensation for damages to life or health.

Article 15 Preliminary provision of evidence

1. Based on the results of the investigation, the competent body may submit an application for preliminary evidence to the court of first instance before filing a claim, if it considers that otherwise it may become difficult or impossible to present the necessary evidence. The submitted application is examined according to the rules of providing evidence defined by the Civil Procedure Code of the Republic of Armenia.

2. Based on the difficulty of presenting evidence outside the territory of the Republic of Armenia, the court may make a decision on providing preliminary evidence outside the territory of the Republic of Armenia by questioning witnesses, examining a specialist, examining written or material evidence, appointing an expert examination. The decision of the court is provided to the applicant, on the basis of which the competent body initiates the necessary measures for the implementation of the decision outside the territory of the Republic of Armenia.

Article 16 Notification of interested persons

1. Within five working days after the preliminary summarization of the results of the study, after the preliminary summarization of the results of the study, and after the preliminary summing up of the results of the study, the competent authority shall notify all interested persons known about the study materials of the data collected. to present their position.

2. The competent authority shall notify the person in respect of the legality of the origin of the property of the investigation, an invitation to submit a declaration containing the following information:

1) the property belonging to the person and his / her family members at the time of submitting the declaration;

2) Obligations of the person and his / her family members towards each other and third parties at the moment of submitting the declaration;

3) The list of all bank accounts of the person and his / her family members in the Republic of Armenia and outside its borders at the moment of submitting the declaration;

4) Incomes of the person and his / her family members and their sources during the studied period;

5) Transactions of alienation or acquisition of property of a person and his / her family members during the studied period and their sources of financing;

6) other circumstances related to the property under study.

3. The [procedure for filling in the](#) sample [form of](#) declarations [shall](#) be approved by the Government.

4. Within one month from the moment of receiving the notification, the interested persons have the right to get acquainted with the materials collected as a result of the study and to present their position.

5. A person's refusal to submit a declaration or position may not be interpreted as being used against him or her or his or her family members. In case of submitting a declaration, presenting false or untrue data in it leads to liability provided by law.

Article 17 Procedure for notifying interested parties

1. The competent body is obliged to notify all interested persons known for the study materials in the manner provided for in this Article. Interested persons not notified in accordance with this Article may exercise their rights before initiating a case in the court of first instance, in accordance with the procedure provided for in Article 16 of this Law, from the moment when they knew or could have known about the existence of the investigation.

2. An order letter shall be sent to the interested parties with a notification of surrender, which shall contain information on the addressee of the body inviting the competent authority to assume that the confiscation of the examined property may affect the rights or obligations of the invited person; on the terms of the right to get acquainted with the materials of the case, the declaration, to present a position, the ways of its realization.

3. The ordered letter shall be sent by the competent body in accordance with the rules provided for in parts 2-4 of Article 95 of the Civil Procedure Code of the Republic of Armenia.

4. In case of availability of the necessary data, the competent body shall also notify the interested persons via electronic communication, applying the rules provided for in Article 97 of the Civil Procedure Code of the Republic of Armenia.

5. In parallel with the undertaking of the measures provided for in paragraphs 3, 4 of this Article, the competent body shall post on the official website of public notices of the Republic of Armenia the existence of data on confiscation of illegally originating property, inviting interested parties to submit the case file. their position.

6. The interested persons shall be considered notified from the moment of receiving the notification on the existence of the confiscation proceedings of the property of illegal origin, in

accordance with the procedure provided for in paragraphs 3 and 4 of this Article, and in the absence of data on receipt, from the moment of posting a month later.

Article 18 Final summary of the study results and Conclusion

1. Based on the materials submitted and the evidence presented to the interested parties, the competent body shall draw up a conclusion on the results of the study.

2. If there are sufficient grounds to assume that the person owns property of illegal origin, the value of which, according to the data of the study, exceeds the threshold provided for in part 1 of Article 24 of this Law, the competent body shall draw up a conclusion, which includes:

1) data on the type of property acquired, market value and whether being encumbered by the rights of other persons;

2) Comparing the property belonging to a person within the meaning of this Law with the legal income known to the competent body used for the acquisition of that property;

3) Information on the fact that the persons in possession of the property have been informed about its illegal origin;

4) list of evidence on which the conclusion is based;

5) a decision on filing a claim for confiscation of property of illegal origin or concluding a settlement agreement.

3. In the event that it is not possible to reasonably conclude from the collected materials that there is property of illegal origin to be confiscated in the manner prescribed by this Law, the competent body shall make a decision to terminate the investigation by referring to Article 1-3 of Part 2 of this Article. data provided in points. A copy of the decision to terminate the investigation shall be immediately sent to the Deputy Attorney General, who coordinates the case.

4. The study may end with the conclusion of a conciliation agreement, which must comply with the requirements provided by this law. The procedure for concluding a reconciliation agreement shall be established by the order of the Prosecutor General.

Article 19 Concluding the study with a conciliation agreement

1. The confiscation proceedings of the property of illegal origin may be terminated with the conciliation agreement, if the person who owns the property of illegal origin submits a declaration provided by this law.

2. The conciliation agreement may not set a lower amount in favor of the transfer of property of the Republic of Armenia than 75% of the value of the property of alleged illegal origin, according to the conclusion of the study. The value of the property of illegal origin is calculated on the basis of the market value of the property at the time of concluding the settlement. By conciliation, property of illegal origin is transferred to the Republic of Armenia in kind, and if such property is transferred to a bona fide acquirer, it is encumbered by the rights of other persons, or it is impossible to identify, separate or confiscate it, as if the person who owns it makes such an offer. If the property is of illegal origin, then its market value is transferred to the Republic of Armenia in drams.

3. The conciliation agreement shall be finalized by a written application jointly signed by the parties to the agreement and submitted to the court of first instance for approval. The original of the reconciliation agreement is attached to the application.

4. The court shall consider the conciliation agreement in a court session with the participation of the signatories, if the latter have not mediated to discuss the conciliation agreement in their absence. Before approving the conciliation agreement, the court shall clarify the legal implications of the persons present at the hearing.

5. Based on the results of the examination of the application, the court shall, within one month after receiving the application, make a decision on approving or not approving the conciliation

agreement. If the validity of the initial security measures of the applied claim expires before the expiration of the one-month period specified in this Article, their validity period shall be extended until the next day after the court decision.

6. The court does not approve the conciliation agreement if the persons who signed the notified conciliation agreement or their representatives did not appear at the two consecutive court hearings, did not submit a motion to postpone the court session or resolve the reconciliation agreement in their absence, as in Article 151 of the RA Civil Procedure Code. in the cases provided for in part 4 of Article.

CHAPTER 3:

INVESTIGATION OF CLAIM OF SEIZURE OF PROPERTY OF ILLEGAL ORIGIN IN COURT

Article 20 Filing a lawsuit

1. On the basis of the conclusion on the results of the investigation, the competent body may file a lawsuit on behalf of the Prosecutor General's Office of the Republic of Armenia in the court of first instance.

2. The claimant or the Deputy Prosecutor General, the Coordinator of the Sphere or the Prosecutor General may withdraw the claim.

or to challenge the fact that any contract relevant to the claim for confiscation of property of illegal origin has been entered into. The statute of limitations provided by the Civil Code of the Republic of Armenia or other laws does not apply to the requirements provided for in this part. The claims provided for in this part may be submitted only in relation to the relations that have arisen within the time period specified in the procedure provided for in parts 2 և 3 հոդված of Article 7 of this Law.

4. If the property of illegal origin has been transferred to a bona fide acquirer, or it is impossible to identify, separate or confiscate it, then according to the court decision, if there is a relevant claim, the defendant may be confiscated an amount equal to the market value of the property of illegal origin.

5. If the property of illegal origin is encumbered by other persons with the protected rights provided for in Part 4 of Article 23 of this Law, the competent body may, at its choice, demand confiscation of property of illegal origin or an amount equal to the market value of such property at the time of filing a claim. penalty.

Article 21 Peculiarities of terminating the case by conciliation և Suspension of the case in court

1. The persons participating in the case may terminate the case in accordance with the procedure established by the Civil Procedure Code of the Republic of Armenia with the conciliation in accordance with the requirements provided for in Article 19, Parts 2 և 3 of this Law.

2. After initiating a civil case in court, in addition to the grounds provided by the Civil Procedure Code of the Republic of Armenia, the court also has the right to suspend the proceedings on the basis of the application of the person whose property the investigation was conducted, if the investigation was initiated under Article 5 1 1 of this law. հիմ The fact that the applicant is involved as a defendant in the parallel criminal proceedings on the grounds provided for in point 2 of part 2 complicates his / her effective participation in the initiated civil case.

3. The court may not suspend the proceedings on the grounds provided for in Article 157, Part 1, Clause 1 of the Civil Procedure Code of the Republic of Armenia, unless it is impossible to hear the case before making a final act on another issue or case under constitutional or criminal procedure. The final act on another issue or case under civil or administrative proceedings is a new circumstance

within the meaning of Article 419 of the Civil Procedure Code of the Republic of Armenia, if it invalidates the transaction or eliminates the circumstance or fact that served as a basis for illegal origin. to make a decision on confiscation of property.

Article 22 Presumption of property of illegal origin ներկայացման ընդհանուր կանոններ

1. In the relations of confiscation of property of illegal origin, the presumption of property of illegal origin is valid, until the legality of the acquisition of the property is proved.
2. The court may make a decision based on the presumption that the property is of illegal origin, if as a result of the examination of the case the plaintiff proves that the property belonging to the defendant, including one unit of property, several units of property or one unit of property, is not substantiated legally. with data on sources of income.
3. The respondent may refute the presumption that the property is of illegal origin by presenting evidence substantiating the acquisition of the property with legal income.
4. In cases where the facts, according to the law or normative legal acts, have to be proved only by certain evidence, the person does not bear the negative consequences of disputing the fact to be proved, if he proves that the given evidence was destroyed or lost through no fault of his own. .

Article 23 Confiscation of property of illegal origin from the acquirer

1. Property belonging to a person within the meaning of this Law, which is property of illegal origin, acquired by another person, shall not be subject to confiscation from a bona fide acquirer.
2. A person shall not be a bona fide acquirer if the competent authority proves that the person knew or could reasonably have known at the time of the acquisition of the property that the property was of illegal origin.
3. Notwithstanding the provisions of paragraph 2 of this Article, a person is a bona fide acquirer when he proves that the property was transferred to him as compensation for damage to life or health or alimony.
4. Property rights other than the property rights of a person unrelated to the property belonging to the person (hereinafter referred to as property rights) shall be protected if the competent authority does not prove that the person knew or could have reasonably known the illegal origin of the property. about having.
5. If the property is encumbered by the property rights of the legal entity related to the person or his close relative, or if the real beneficiary of the given property rights is the person who owns the property, those rights shall cease upon the entry into force of the court decision on confiscation of property. :

Article 24 Making a decision on confiscation of property of illegal origin

1. Property of illegal origin is subject to confiscation if, according to the evidence presented, the court concludes that the market value of such property at the time of filing the lawsuit exceeds 50 million AMD.
2. The market value shall include improvements to property of illegal origin if it is impossible to separate it from the property, regardless of the legality of the income used to make such improvements. After the confiscation of the property, the person has the right to reclaim the expenses for the implementation of the improvements, which were made using the legal income.
3. Property of illegal origin is confiscated in favor of the Republic of Armenia.
4. All registered rights to confiscated property, except for the cases provided for in Article 23, Part 4, shall be considered terminated from the moment the court decision enters into legal force.

CHAPTER 4:

PROPERTY MANAGEMENT

Article 25 Management of state-owned property

1. The court, guided by the peculiarities provided by this law, shall apply one of the security measures provided for in Article 129 of the Civil Procedure Code of the Republic of Armenia.
2. If in exceptional cases, due to the peculiarities of the examination of the case, the court, applying the security of the claim, decides to transfer the property to the possession of the state, then the management and protection of the given property is carried out by the state.
3. Property may be transferred to the State as security for a claim if:
 - 1) there is a possibility that otherwise the value of the property may decrease significantly;
 - 2) there is a possibility that the property can be used to commit a crime;
 - 3) due to the peculiarity of the property or its use, there is a possibility that leaving it with the defendant may make it impossible or significantly complicate the further confiscation of the property.
4. The property may be handed over by the competent body to the state-local self-government bodies, as well as to the state (with state participation) organizations, with the necessary equipment for the protection of the property.
5. If in order to preserve the value of the property it is necessary to ensure its specialized current management, the state may transfer the given property to trust management.
6. The procedure for holding a tender for trust management of property, as well as the model form of the trust management agreement shall be approved by the Government.
7. Necessary expenses related to property maintenance and management are financed from the state budget.

Article 26 Alienation of property transferred to state ownership

1. If movable property passes into the possession of the state, which is perishable or requires significant expenses for the preservation of the value of the property, the competent body may apply to the court examining the case, requesting permission to alienate the property.
2. In order to examine the issue of allowing the alienation of the property, a court session is convened, about which the person who submitted the motion is notified - the well-known owner of the property, whose non-appearance is not an obstacle for the consideration of the motion.
3. The court shall make a decision on the mediation, taking into account the opinion of the persons participating in the case and the peculiarities of the protection of the property.
4. Based on the court decision on allowing the alienation of the property, the sale of the property is carried out in accordance with the procedure established by the Law on Compulsory Enforcement of Judicial Acts.
5. Proceeds from the alienation of property shall be retained in the possession of the State until the means of securing are abolished.

CHAPTER 5:

INTERNATIONAL COOPERATION

Article 27 The body that communicates on the confiscation of property of illegal origin

1. The Republic of Armenia cooperates with other states within the framework of investigations and procedures carried out by them, which are aimed at confiscating property of illegal origin, regardless of the legislative procedures used by that state.

2. Unless otherwise provided by international treaties of the Republic of Armenia, then on the seizure of the property received in the territory of the Republic of Armenia received from the competent bodies of foreign states, as well as on the seizure of the property located in the territory of the foreign state by the competent court of the Republic of Armenia. The communication is carried out through the General Prosecutor's Office of the Republic of Armenia.

3. The Republic of Armenia shall fulfill the request received from another state on the basis of reciprocity in the field of mutual assistance, if its fulfillment does not contradict the public order of the Republic of Armenia.

Article 28 Requirements for requests from foreign countries

1. The basis of the communication provided by this Law is the request in respect of the property located in the territory of the Republic of Armenia received from the competent bodies of foreign states (hereinafter referred to as the request in this Article).

2. Unless otherwise provided by the international treaty in force between the requesting State and the Republic of Armenia, the request shall contain:

- 1) the name of the applicant body;
- 2) the title of the request;
- 3) Sufficient information on the property of the persons related to the subject of the request;
- 4) the essence of the request and the legal grounds that substantiate the authority of the applicant body to send the given request.

3. If the request refers to the execution of a decision, order or security measure of a foreign court in the territory of the Republic of Armenia, a certified copy of the judicial act of the State submitting it shall be attached to the request, and in case of international treaties, other materials.

Article 29 Procedure for processing a request received from a foreign country

1. The Prosecutor General's Office of the Republic of Armenia, upon receiving a request for information on the discovery of property from a relevant body of a foreign state, may take the measures provided for in Articles 11-12 of this Law to obtain the requested information.

2. The acts of a foreign court on the confiscation of property of illegal origin and the means of security applied in connection therewith shall be recognized on the basis of reciprocity, which is considered to exist, unless proven otherwise.

3. The Prosecutor General's Office of the Republic of Armenia, receiving a request from the competent body of a foreign state for the confiscation of property, a court order or security measures in relation to the property, submits the data necessary for the recognition, execution, documents in accordance with the procedure defined by Chapter 52 of the Civil Procedure Code of the Republic of Armenia.

4. The Prosecutor General's Office of the Republic of Armenia shall immediately inform the relevant body of the foreign state about the decision made.

5. If in accordance with international treaties of the Republic of Armenia or this law, the execution of a request received from a competent body of a foreign state contradicts the public order of the Republic of Armenia or is impossible for other reasons, the relevant body of the foreign state shall be notified of the impossibility of the request.

Article 30 Return of property of illegal origin and distribution

1. Issues related to the return of confiscated property to the requesting State shall be governed by international treaties ratified by the Republic of Armenia, including separate agreements concluded with the States concerned or by mutual diplomatic agreement reached by the competent authority.

Article 31 Procedure for sending a request

1. The General Prosecutor's Office of the Republic of Armenia shall send the attached documents to the competent body of the foreign state to receive information on the property located in the territory of a foreign state, to seize it, to apply measures to secure the property or evidence or to confiscate the property.

Article 32 International co-operation during the trial

1. Following the initiation of a civil case on the basis of a request of the competent body, the issues of legal aid shall be regulated in accordance with the procedure established by the Civil Procedure Code of the Republic of Armenia.

CHAPTER 6:

OTHER PROVISIONS:

Article 33 Summary of the results of the application of the law

1. The competent body shall publish an annual report on the initiated confiscation proceedings and their results, maintaining the obligation to ensure the confidentiality of data provided by this law and other legal acts.

Article 34 Transitional provisions

1. This Law shall enter into force on the tenth day following the day of its official publication, except for the cases provided for in this Article.

2. Articles 4-33 of this Law shall enter into force on the date of appointment of at least three prosecutors of the first staff of the responsible subdivision of the Prosecutor General's Office of the Republic of Armenia.

3. The obligation to send the materials provided for in part 1 of Article 4 of this Law arises if the grounds provided for in Article 5 of this Law exist in a case under pre-trial or court proceedings as of the entry into force of Article 4 of this Law or appeared after the entry into force of Article 4 of this law.

4. The term for starting the investigation envisaged by Part 2 of Article 4 of this Law shall enter into force six months after the appointment of at least three prosecutors of the first staff of the responsible subdivision of the Prosecutor General's Office of the Republic of Armenia. Prior to that, there is a one-month period for verifying the existence of grounds for initiating a study.

5. The decisions of the Government provided for in Part 3 of Article 16 of this Law նախատեսված provided for in Part 6 of Article 25 of this Law shall be adopted within two months from the moment of entry into force of the relevant articles of this Law.

President of the Republic

A. Sargsyan

2020 May 11

Yes!
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