

**Legal Bill Prohibiting Participation of  
The Ministers, Deputies of the Houses of Parliament  
And Civil Servants In the Government and Civil Transactions**  
Approved on 22<sup>nd</sup> Dey 1337 (12 January, 1959)

ARTICLE - 1

Effective approval of this Act the persons mentioned hereunder:

1. Premier, Ministers, Ministerial Assistants and Deputies of the Houses of Parliaments;
2. Ambassadors, Governors General, Governors, Mayors, City Council Members;
3. Staff employees and authorities of the Civil, Military, Municipalities and units affiliated thereto;
4. Employees of any organization, establishment, company, bank or any other institution whose majority of shares and profits belong to the Government, Municipalities and other relevant units or that they are managed, administered or supervised by the latter organizations;
5. Persons who receive, in some way or other, recurrent salary, stipend, feed, bonus and the likes (except pension salary, payments made to the retiree heirs and the statutory retirement pension) from the Government treasury, Houses of the Parliament or the institutions mentioned above;
6. Managers and employees of the charity societies which receive recurrent aids from the Government or Municipalities;
7. Companies and institutions 5% of the shares or capitals or profits of which belong to one of the said persons mentioned above or 20% or more of the shares or capitals or profits of which belong to some of the said persons and/or when the said persons are responsible for the management, administration or inspection of the said institutions, except those companies and institutions whose number of shareholders are 150 or more, provided none of the said persons hold more than 5% of their total shares and that none of them is responsible for the supervision, management, administration or inspection of the said companies and institutions;
8. Companies whose majority of shares, capital or profit belong to the companies referred to in sub-article 7 hereof (whether or not these companies receive any payment or property for the services rendered by them and/or they perform the said services honorary and free of charge); shall not participate in, transactions with, or arbitration in claims against the Government, Houses of Parliament, Municipalities or organizations affiliated thereto and/or institutions referred to in the sub-articles 4 and 6 of this Article; whether or not the said claims are filed through legal channels (except those transactions the contracts for which are concluded prior to the approval of this act).

Note 1

Father, mother, brother, sister, wife or husband, immediate children, daughter-in-law, son-in-law and persons referred to in this Act, as well as companies and institutions in which the said relatives have shares, hold positions or directorate in the manner referred to in the sub-articles 7 and 8 hereof, shall not enter into arbitration for or transaction with the ministries, banks, municipalities, or organizations and/or institutions referred to in this Act in which the said persons hold ministerial or managerial positions.

Note 2

Staff of Cooperative Societies of the organizations referred to in this Article are not covered by the text of this Act in respect of the cooperative affairs.

### Note 3

By transactions referred to in this Article is meant:

1. Contract Work (except transactions on the agricultural products even though such transactions are made by means of contract).
2. Commission Work.
3. Exploration, production and exploitation (except in the case of mines referred to in the Mines Act under Category 1, as well as cooking salt the mines of which are situated in their personal property).
4. Contracts for survey operations, drawing of map and supervision over its implementation.
5. Contracts for the performance of legal, financial and technical studies and consultation.
6. Participation in the lowest or highest bids.
7. Sales and purchases which shall be carried out in accordance with the provisions of the Public Accounts Act or through the lowest or highest bids, whether or not such sales and purchases are exempt from undergoing lowest or highest bids.

### Note 4

Transactions on the goods and commodities of the Government monopoly, as well as publication of affairs of the Government and municipalities are exempt from the coverage of this Act.

### ARTICLE 2:

Those persons who, in violation of the provisions of this Act, enter into transactions either directly or in the name or through other persons and/or participate in the aforesaid claims for arbitration, and/also any of the civil servants (military or civil) and other persons referred to in the aforesaid Article, no matter what position or rank they hold, act contrary to the provisions of this Act will be sentenced to solitary confinement from two to four years. The same punishment is also prescribed for those authorities of the companies and institutes referred to in Article one (sub-articles 7 and 8) who, at the time of conclusion of a contract and execution of a transaction, knowingly conceal their own and their partners relations and attachment. Such transactions are rendered nil and the offender himself, and in the case of repeated offence both parties jointly, shall stand responsible to compensate the losses resulted from such transaction, arbitration and/or its annulment.

### Note

Staff employees covered by Article 1 who, due to the enforcement of this Act, do not wish to continue with the Government service, shall be considered retired and if pension regulations do not apply to them, their pension contributions shall be paid back to them in a lump sum.

### ARTICLE - 3

Effective approval of this Act, none of the houses Deputies shall accept to act as advocate (attorney) at the courts and justice channels, but, claims and advocacies undertaken prior to the approval of this Act shall continue to remain valid.

### ARTICLE - 4

The Government is assigned with the execution of this Act.

\*\*\*