

BY Email

28 October 2018

To: Money Laundering Reporting Officers (**MLRO**)
DFSA Registered Designated Non-Financial Businesses and Professions (**DNFBPs**)

RE: Recent changes to the DFSA AML Rulebook, DNFBP registration and supervision

In September 2018, the DFSA issued a Notice of Amendments to Legislation to reflect changes resulting from the following Consultation Papers:

1. Consultation Paper No.118: *Proposed Changes to the DFSA's AML, CTF and Sanctions Regime – Phase 1* (see [link](#))
2. Consultation paper No.120: *Proposed Changes to the DFSA's AML, CTF and Sanctions Regime – Phase 2* (see [link](#))

As a result of the above proposals, amended Rules (the “**New AML Rules**”) have been made by the DFSA, which will come into force on 29 October 2018 (“**Commencement Date**”). The New AML Rules can be accessed [here](#).

The purpose of this communication is to inform DNFBPs about these changes and to set out the DFSA’s approach to the transitional arrangements set out in AML Rule 15.4 to implement the New AML Rules. The “**transitional period**” for the New AML Rules ends on 29 January 2019.

Change to definition of a DNFBP and required actions

The New AML Rules remove the requirement for a dealer in any saleable item of a price equal to or greater than USD15,000 (“**dealers in high value goods**”) to register with the DFSA as a DNFBP. As a result, the registration of all DNFBPs within this subcategory will no longer fall under the DFSA’s AML regime. The above change does not affect the DNFBPs’ commercial licence registration with the DIFC Register of Companies (“**ROC**”) or any obligations set in the Federal AML legislation and applicable DIFC laws and regulations.

The DFSA Public Register will be updated on 29 October 2018 to reflect the change in status for dealers in high value goods. The impacted DNFBPs will also need to contact the ROC to complete the necessary formalities to reflect the change in their DFSA regulatory status. The relevant DNFBPs must also ensure they remove any reference to their DFSA regulatory status in all business documents and websites.

DNFBPs already in the DIFC

Excluding dealers in high value goods, the New AML Rules allow Persons registered as DNFBPs prior to the Commencement Date to transition to the New AML Rules without the need to apply for registration. However, each DNFBP is required to certify the following in writing to the DFSA:

- (a) that the DNFBP continues to carry on its business or profession in or from the DIFC;
- (b) the names of all individuals who comprise the DNFBP’s senior management;
- (c) details of all of the DNFBP’s beneficial owners;

- (d) the name of the individual appointed as MLRO; and,
- (e) that the DNFBP has in place adequate resources, systems and controls to comply with applicable anti-money laundering requirements under the Regulatory Law 2004 (as amended), the AML Rules (including New AML Rules) and Federal AML legislation.

On 29 October 2018, to assist with the transition to the New AML Rules, the DFSA will make available a DNFBP self-certification form (the “**Form**”) which can be accessed via the [DFSA ePortal](#) during the transitional period.

To meet the requirements noted above, the Form will allow registered DNFBPs to confirm their existing details and will request information in relation to the DNFBP activities and ownership structure, including the beneficial owners. The Form also requires the DNFBP to complete a declaration that it has in place adequate resources, systems and controls to comply with applicable anti-money laundering requirements under the Regulatory Law 2004 (as amended), the AML Rulebook and Federal AML legislation.

Please be informed, that if the Form is not completed or submitted to the DFSA during the transitional period, the DFSA may take appropriate action including to suspend or withdraw the registration of any non-compliant DNFBP.

DNFBP related application forms

Please be informed that as at 29 October 2018, all registered DNFBPs are required to use an electronic form to notify the DFSA of any relevant changes as required under AML Rule 15.1.4. This electronic form replaces the paper based version (DNF 2 Form) which is currently available on the DFSA’s website. To access this electronic form, please log onto the [DFSA ePortal](#).

The Annual Information Return which is due to be filed with the DFSA on 31 January of the following year (as required under AML 15.1.3) will also be converted to an electronic format shortly. The DFSA will notify DNFBPs at the appropriate time when the electronic form is available.

Further inquires

Any inquiries concerning this letter should be made via the [Supervised Firm Contact Form](#) on the DFSA’s website.

Yours sincerely,



Bryan Stirewalt
Chief Executive