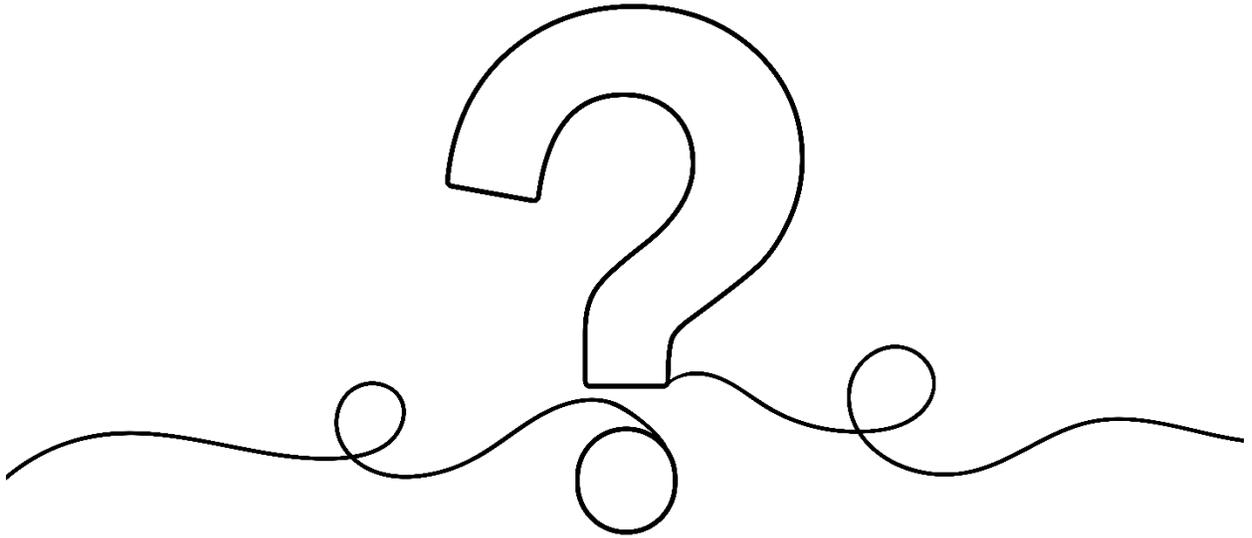


Reports FAQs

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Disclaimer

UAEFIU reserves the right to amend, modify or change the contents of this document when deemed necessary.

1. How long will the DPMS reports remain the goAML web before they are cleaned?

In order to safeguard the confidential information pertaining to the submitted DPMS reports, goAML system is programmed to delete reports as described below:

- Dispose of web-report information after creation and not yet submitted is 15 days.
- Dispose of web-report information after submission and rejection for invalid structure or failed validation – waiting to be reverted is 5 days.
- Dispose of web-report information after being reverted is 10 days.

2. What are the DPMSR reporting requirements?

I. Transactions with individuals:

- a. For **Transactions with resident individuals:** Please obtain identification documents (Emirates ID or Passport) for cash transactions equal to or exceeding AED 55,000 and file a DPMSR
- b. For **Transactions with non-resident individuals:** Obtain identification documents (ID or Passport) for cash transactions equal to or exceeding AED 55,000 and file a DPMSR
- c. For **Credit card, cheque or bank transactions** with individuals exceeding AED55,000 need **not** be reported. However, if there is any suspicion arises, it has to be reported under STR
- d. For **Old gold exchange (old gold/ jewelry exchanged for new jewelry:** If there is no cash transaction (exceeding the threshold limit), such transactions need **not** to be reported

II. Transactions with companies:

- a. B2B cash transactions equal to or exceeding AED 55,000 need to be reported in DPMSR
- b. Cheque and local wire transfers need not to be reported in DPMSR if it is a wire transfer from a bank within the UAE, however, if the transfer is made through an exchange house, you still have to report the transaction in goAML under DPMSR
- c. All international wire transfers need to be reported in DPMSR

3. Do barter transactions have to be reported in a DPMSR?

Gold to Gold trading: wholesalers accepting bullion against jewelry need not to be reported in a DPMSR.

4. Do margin calls or loans from banks for a DPMS need to be reported in a DPMSR?

No.

5. Do intra-company sales/purchases in cash exceeding the threshold need to be reported in DPMSR?

Yes.

6. Do installment transactions in cash exceeding the threshold limit need to be reported as a DPMSR at the time of receiving funds?

Yes.

7. Do advance payment in cash exceeding the threshold limit need to be reported as a DPMSR at the time of receiving funds?

Yes.

8. What is the frequency of reporting qualifying transactions under a DPMSR?

Within 2 weeks of the transaction occurrence.

9. Do Invoices/ID documents need to be attached to DPMSR while reporting?

Yes.

10. What are the documents to be attached while reporting a DPMSR for wire transfers equal to or above AED 55,000 or its equivalent?

For wire transfers from outside the country, identification required while reporting in DPMSR are: Trade license, Name of the entity and ID proof of the local representative

11. In barter transactions, if the making charges are paid in cash and the amount exceeds AED 55,000 or its equivalent, should that be reported in a DPMSR?

“Making charges” is not considered a reportable transaction if there is no buying or selling of precious metals and stones involved.

12. Do transactions conducted via and LC (Letter of Credit) need to be reported in a DPMSR?

No.

13. For Unfixed gold, if the fund is received in cash and in more than one installment exceeding the threshold limit, does it need to be reported under DPMSR?

Yes.

14. Wire transfer from a mainland company to a company in Free zone (part of the same group company, therefore intra company) for supplies, does it need to be reported in DPMSR?

No reporting is required if it's within the same group.

15. If both the parties (buyer and seller) are registered entities in UAE and settlement is taking place by local transfer between their accounts in USD within the same bank in UAE. Please advise if such transactions are to be reported.

Not to be reported as the transaction is between two banks locally.

16. If both the parties (buyer and seller) are registered entities in UAE and settlement is taking place by international wire transfer in USD. However, both bank accounts involved are in UAE but with different banks. Please advise if such transactions are to be reported.

If it's an international wire transfer it has to be reported.

17. If one party (buyer or seller) is registered on UAE mainland & other is registered at free zone in UAE (say DMCC). Both parties are operating in UAE and have bank accounts in UAE. Settlement is done by either of the followings:

- 17.1** Transfer from one party's AED account to other party's AED account or
- 17.2** Transfer from one party's USD account to other party's USD account (both have accounts in the same bank in UAE) or
- 17.3** Transfer from one party's USD account to other party's USD account (both have accounts in different banks in UAE)

No reporting is required.

18. Settlement between 2 FTZ (registered in UAE) companies in either AED or USD whereby both having accounts with same bank operating in UAE, does this transaction need to be reported in DPMSR?

No.

19. Settlement between 2 FTZ (registered in UAE) companies in either AED or USD whereby their respective accounts are with different banks operating in UAE as USD settlement will be through international (cross border) wire transfer, does this transaction need to be reported in DPMSR?

Yes

20. Settlement between FTZ & onshore companies (registered in UAE), does this transaction need to be reported in DPMSR?

Yes

21. Settlement between 2 onshore companies (registered in UAE) in USD having accounts either with same bank or different banks operating in UAE), does this transaction need to be reported in DPMSR?

No.

22. Do physical trade with commercial banks operating & regulated outside UAE need to be reported in DPMSR?

No.

23. Should trade between related parties whereby one is registered on mainland and other in FTZ but having accounts with banks operating in UAE in AED & USD be reported in DPMSR?

No reporting is required.

24. We have found a hit on our client's name as a PEP. Should we file a Partial Name Match Report or a Suspicious Activity Report?

A customer being a PEP is not grounds for suspicion until you are doubting their transactions/activities to be linked to a suspected money laundering activity.

That said, as per the MOE's guidelines for DNFbps on AML/CFT available here <https://www.moec.gov.ae/documents/20121/469920/AMLCFT+Guidance+for+DNFBPs.pdf/0557c726-d8a7-ea63-594b-10110e300dc8?t=1633853458984> customer risk factors include foreign PEP. Based on that, section 6.4.1 of the above Guidelines lays down the requirement for PEPs. Please review carefully and decide the course of action accordingly.

25. For same invoice where payment is made in installments, if we have already reported once for exceeding threshold, do we have to report again for each installment if it is more than AED 55,000?

No.

26. Regarding reporting transactions under the Dealers in Precious Metals and Stone Report (DPMSR), are reporting entities required to record payments made to a supplier (outward payments) or does a report only need to be lodged for funds received when the entity is the seller (inward payments) - or both?

Both.

27. Do we need to report B2B transactions for all international bank transfers to our company bank account for amounts exceeding AED 55,000 in a REAR?

No.

28. Do we need to report a REAR for cash transactions of UAE Residents whose country of citizenship is from the list of Sanctioned Countries, even if the amount does not exceed AED 55,000?

No. however please be mindful of the reporting requirements for HRC and HRCA reports which can be found at the following link <https://www.uaefiu.gov.ae/media/jmiddwor/1-goaml-web-report-submission-guide-v2-4-20-07-2022.pdf>

29. Do we need to report a REAR for all international bank transfers from individual clients to our company bank account for amounts exceeding AED 55,000?

No.

30. Do we need to use any specific name-screening software, or any FREE name-screening software would be good enough?

This is a company's decision. You may opt to select the best option for your requirements.

31. Could you please advise if these reports are only to be submitted if the countries involved are currently in the list of "High-Risk Jurisdictions subject to a Call for Action" i.e. DPRK and IRAN, or should it also be submitted for the Targeted Financial Sanctioned countries and other High-Risk jurisdictions (FATF's list of jurisdictions under increased monitoring).

If, during the establishment or course of the customer relationship, or when conducting transactions/activities on behalf of a customer or a potential customer, a reporting entity identifies transactions related to high risk countries as defined by the National Anti-Money Laundering and Combating the Financing of Terrorism and financing of Illegal Organizations Committee (A comprehensive list of High-Risk Countries can be found on the FATF website at the below links)

<https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/Call-for-action-february-2024.html>

<https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/Increased-monitoring-february-2024.html>

Then the entity should submit an HRC/HRCA to the FIU. Such reported transaction(s)/activities may only be executed three working days after reporting such to the FIU, and if the FIU does not object to conducting the transaction/activity within the set period.

32. What if a real estate broker reports a suspicious transaction/activity to the company/Compliance Officer and they do not investigate or take action? What should the broker do?

The designated Compliance Officer must understand his/her obligations under the UAE AML/CTF law and Cabinet decision. Non-reporting of STRs/SARs when there are red flags or solid grounds of wrong doing, may lead to imprisonment of the compliance officer, and/or financial fines, and suspension/cancelation of the company's trade license.

33. Should all reports (REAR, STR, etc.) be made only through the Compliance Officer? Or should individual brokers have their own FIU account for REAR?

Ideally, it's the responsibility of the Compliance Officer, however, reporting entities with high volume clients/transactions may add more users to goAML in order to raise reports (the user rights in goAML can be decided by the compliance officer).

34. Can both an STR and SAR be filed for the same transaction? Please clarify the difference with an example.

No, if it's the same transaction you choose either STR or SAR. The main difference between STRs and SARs is the availability of information, STRs require the information of the bank account of the client (the suspect), while SARs don't require this information. In some scenarios you can raise both; a REAR and STR/SAR if there is a suspicion and the payment is made in cash/crypto above the AED 55,000 threshold for real estate activities.

35. Do real estate companies/brokers have to wait for any type of response from FIU when filing a REAR?

No, however, you should maintain all information related to the suspicious transaction & clients for a minimum period of 5 years from the date of transaction.

36. What is the average time it takes FIU to respond to an STR (understanding that it depends on various factors)?

There is no expectation that the FIU will respond to STRs/SARs. That said the FIU may send questions or a list of requirements when a report merits further due diligence. Other than that, the FIU sends a quarterly feedback report via the goAML Message Board to all reporting entities and their respective supervisory bodies.

37. Must a brokerage wait for response from FIU with an SAR report before moving forward with transaction?

No, the decision remains with the reporting entity (compliance officer), however, matches to the UAE and UN sanctions list require rejecting the transaction / freezing the funds if received in your accounts and report FFR/PNMR.

38. What is the average time it takes for a response to a Partial Match or Fund Freeze report?

The relevant authorities will usually respond within 14 working days from the report date.

39. Are Real Estate Trustee offices in Dubai also subject to the same regulations (like the REAR for cash transactions)? What about if valuers or property managers come across suspicious activities or transactions?

Please refer to Article (3) of the Cabinet Decision No. (10) of 2019 CONCERNING THE IMPLEMENTING REGULATION OF DECREE LAW NO. (20) OF 2018 ON ANTI- MONEY LAUNDERING AND COMBATING THE FINANCING OF TERRORISM AND ILLEGAL ORGANISATIONS <https://www.moec.gov.ae/documents/20121/0/%D8%A7%D9%84%D9%84%D8%A7%D8%A6%D8%AD%D8%A9+%D8%A7%D9%84%D8%AA%D9%86%D9%81%D9%8A%D8%B0%D9%8A%D8%A9+%D9%84%D9%85%D9%88%D8%A7%D8%AC%D9%87%D8%A9+%D8%BA%D8%B3%D9%84+%D8%A7%D9%84%D8%A7%D9%85%D9%88%D8%A7%D9%84+%281%29.pdf/81ffaf69-6b0f-7459-5041-7a189198429b?t=1646293832367>

For clarity on the definition of DNFBPs and the reporting requirements. Aside from that, other sectors and authorities that are not included in the Law/Cabinet Decision may still register and report STRs/SARs voluntarily.

40. Are there any examples (or numbers) of penalties against UAE real estate companies/brokers that you can share?

Please reach out to your supervisory authority for this information.

FIU