

**Dubai Healthcare City Authority**

**Anti-Money Laundering and Combating the Financing of Terrorism  
(AML/CFT)**

**FOR DESIGNATED NON FINANCIAL BUSINESSES AND PROFESSIONS (DNFBP)  
AND NON-PROFIT ORGANISATIONS**



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## **Introduction**

1. DHCA is committed to supporting the efforts and initiatives taken to combat money laundering and financing of terrorism, through the issuance of this Policy and shall cooperate with other government entities in order to ensure compliance with applicable AML laws and regulations.
2. This Policy has been prepared in compliance with the provisions of Federal Decree-Law No. (20) of 2018 and its implementing regulation issued by Cabinet Resolution No. (10) of 2019. The Policy sets out the main regulatory requirements that relate and are applicable to the activity of the DNFBP and the Non-Profit Organisations (as defined here below) operating under and/or having a trade licence issued by DHCA only, and cannot be relied upon to interpret or determine the application of the AML Law in its entirety or any other federal or local law.
3. This Policy shall be interpreted in accordance with the AML Law, and all concerned DNFBP and Non-Profit Organisations shall refer to such AML Law.

## **Definitions**

4. Capitalized terms in this Policy that have not been defined herein shall have the meanings given to them in the DHCA Regulation (as defined here below).

Words in the singular include the plural and words in the plural include the singular.

Unless the context otherwise requires, the following definitions apply to this Policy:

**AML/CFT** means anti money laundering and combating the financing of terrorism.

**AML Law** means Federal Decree-Law No. (20) of 2018 and its implementing regulation issued by Cabinet Resolution No. (10) of 2019 and any amendments or variations related thereto.

**AMLSCU** means the anti-money laundering and suspicious cases unit of the UAE Central Bank.

**DHCA** means the Dubai Healthcare City Authority established under article (4) of the Law.

**DNFBP** means the designated non-financial businesses and professions defined and listed under article (3) of Cabinet Resolution No. 10 of 2019.

**KYC** means the know your customer process.

**Law** means Dubai Healthcare City Law No. (9) of 2011, issued by the Ruler of Dubai establishing the Dubai Healthcare City Authority, and any amendments or variations to that Law;

**MLRO** means money laundering reporting officer.

**Non-Profit Organizations** means the non-profit organizations referred to and defined under the AML Law.

**Policy** means this AML/CFT policy applicable to the DNFBP and Non-Profit Organizations operating under and/or having a trade license issued by DHCA.

**Registrar** means the registrar having supervision over the registry of companies for the licensed companies under DHCA, as appointed under the DHCA Governing Regulation No (1) of 2013.

**Regulation** means any regulation approved by the Chairperson of DHCA under the Law, including any amendment to such regulation.

**STR** means the suspicious transaction report listing the activities that are suspected to be related to money laundering or financing of terrorism.

### **Application**

5. This Policy applies to the DNFBP and Non-Profit Organizations operating under and/or having a trade license issued by DHCA.
6. The DNFBP concerned by this Policy, are the following DNFBP which are operating under and/or having a trade license issued by DHCA:
  - (i) Real estate agents and brokers involved in transactions for their clients in relation to the purchase and selling of real estate properties;
  - (ii) Dealers in precious metals and precious stones when undertaking any single cash transaction or several transactions that seems to be related to each other, with a value equal to or exceeding the amount of AED 55,000; and
  - (iii) Any other business or profession that may be added to the AML Law at a later stage.
7. In the event of breach of this Policy by a DNFBP, DHCA shall have the right to apply take the necessary measures in accordance with the Regulation and apply any of the disciplinary actions as provided for under paragraph 25 of this Policy.

### **Implementation and Scope**

8. This policy shall come into force and effect as of October 1<sup>st</sup>, 2019 (“**Effective Date**”).

### **AML Policies**

9. Each DNFBP shall identify, assess and determine the risks of the crime of money laundering and financing terrorism in relation to its business, in a manner commensurate with the nature and size of its business, taking into consideration all related risks factors, such as the risks related to customer, other states or geographical areas, products, services, transactions and the channels of sale, and shall document the risk assessment and update it continuously.
10. Each DNFBP shall work on reducing the risks identified, taking into account the results of the national risk assessment undertaken and establish, implement and maintain in force and effect, for as long as it is operating under and/or holding a license issued by DHCA, compliance policies, procedures, controls in application of and in compliance with the AML Law, the laws and regulations of the authority regulating their activity and this Policy. The DNFBP shall ensure that such compliance policies, procedures and controls are communicated to all employees and that ongoing employee trainings are being provided so that employees are kept informed of developments, amendments and updates to the AML Law. The DNFBP shall put in place appropriate screening procedures to ensure high ethical standards when hiring employees.
11. Each DNFBP shall appoint an MLRO in accordance with the AML Law, who shall be working under the responsibility of the DNFBP, and shall be responsible for the supervision and control over the policies, procedure and controls to prevent and detect money laundering and financing of terrorism activities.
12. Each DNFBP shall put in place independent controls that will test and assess the effectiveness of the compliance policies, procedures controls that it has implemented, on a risk sensitive basis with a defined minimum frequency.
13. DNFBP shall refrain from entering into or conducting any financial or commercial transaction with any customer under an anonymous or fictitious name, pseudonym or using unidentified numbers.



### **Money Laundering Reporting Officer (MLRO)**

14. Each DNFBP shall inform the Registrar upon the appointment of its MLRO and provide the Registrar with the name and details of the MLRO. The DNFBP shall keep the Registrar informed at all times of any change of the MLRO.
15. The MLRO shall have the responsibility of supervising and controlling the compliance policies, procedures and controls in application of and in compliance with the AML Law policies, and exercising day-to-day operational oversight of the DNFBP's compliance with said compliance policies, procedures and controls.
16. The MLRO shall also have the following responsibilities:
  - (i) identifying and taking appropriate action on matters of money laundering or financing of terrorism that are identified as part of the risk assessment process or by the competent authorities;
  - (ii) viewing the internal policies, procedures and controls established by the DNFBP to fight AML/CFT and assessing its consistency with the AML Law and implementing, monitoring and maintaining an ongoing programme of AML/CFT trainings and awareness for employees of the DNFBP;
  - (iv) receiving internal suspicious activity reports submitted by employees of the DNFBP, investigating the suspicious activity report and taking appropriate action which includes making external suspicious activity reports to the AMLSCU;
  - (v) acting as the point of contact of the DNFBP to the DHCA and any other regulatory authority in the UAE regulating the activity of the DNFBP and relevant agencies concerning AML/CFT matters and responding promptly to any request for information made by such authorities or other competent authorities in the UAE;
  - (vi) having access to relevant information concerning the DNFBP's clients, business relationships and transactions and the details of such transactions which a DNFBP enters into, or considers entering into, with or for a client or other party; and
  - (vii) preparing an annual report that will reflect the level of compliance adherence to the relevant policies, procedures and controls with respect to regulatory obligations.

### **Due Diligence and KYC Documentation**

17. Each DNFBP shall take the necessary enhanced due diligence measures to manage high risks, which can include for instance: (i) obtaining and verifying further information such as the identity of the customer, the identity of the beneficial owner or information related to the nature of the business relationship or the reason for the transaction; (ii) updating the due diligence documents; (iii) taking reasonable measures to identify the source of funds; (iv) enhancing control and supervision over such customer. Simplified due diligence procedure can be undertaken once the above measures have been completed and reduced risks have been identified.
18. The DNFBP shall properly identify its customers. Each DNFBP shall conduct a full due diligence on all its business relationships and obtain sufficient level of identification documents and shall adopt a risk based approach to determine the extent of additional client due diligence measures commensurate with the level of risk posed by the customer type, business relationship or transaction. Requested KYC documentation shall include but are not limited to, the information listed under schedule 1 attached to this Policy. Such customers' identification documentation and record shall be kept on record and made available to any competent authority promptly upon request.

19. Due diligence procedure is mandatory, the DNFBP will not rely on any third party information or any due diligence undertaken by a third party. Subject to the DNFBP complying with the provisions of article 19 of Cabinet Resolution No. (10) of 2019, the DNFBP can rely on a third party to undertake the due diligence for the DNFBP's customers. As a minimum standard, KYC must be updated every 2 years.
20. In the event the DNFBP is not able to comply with any of the client due diligence measures, for any reason whatsoever, the DNFBP shall not open an account or commence business or accept instructions or perform a transaction with such customer and shall, when applicable, report a suspicious transaction to the AMLSCU.
21. DHCA shall collaborate with the competent authorities to ensure compliance with the AML Law and in the event of a violation by any of the DNFBP, DHCA shall have the right to take the necessary measures against such DNFBP as provided for under its Regulation and this Policy which includes the suspension of license.

#### **Monitoring of Suspicious Activities and Reporting**

22. The DNFBP shall routinely monitor for and detect suspicious activities.
23. If a DNFBP suspects or has reasonable grounds to suspect that funds concerning an actual or proposed transaction are the proceeds of any criminal activity or are related to money laundering or financing of terrorism activity, the MLRO shall promptly file a written STR with the AMLSCU. In reporting such activities, it is important that:
  - (i) the reason for suspicion is fully explained;
  - (ii) no mention of the suspicion is made to the customer or the third party involved; and
  - (iii) any other information that may be requested by the AMLSCU be provided.
24. Internal suspicious activity reports shall be submitted by the employees of the DNFBP to their MLRO, who shall take the necessary steps in relation to investigating the internal report and making a decision on whether or not to make an external STR. Where the MLRO decides that no external report should be made, the reason for such decision shall be recorded.
25. The DNFBP shall establish disciplinary measures to be taken against an employee that fails to make an internal suspicious activity report where there are grounds for him/her to do so.

#### **Record Keeping**

26. The DNFBP shall maintain all records related to any transaction for a period of at least five years following the completion of the transaction or termination of the business relationship with the customer or any other holding period that may be provided for, regardless of whether the account or business relationship is ongoing or has been terminated. Records shall include any information, correspondences, KYC and associated due diligence documents. The DNFBP shall maintain as well all reports of unusual or suspicious transactions, internal investigations of those reports together with the decision made for a period of at least five years after the report has been made.
27. All records shall be made available to any competent authority immediately upon request submitted by such authority.

### **Obligations of Non-Profit Organizations**

28. Non-Profit Organizations shall, in coordination with DHCA, apply the terms of this Policy and the rules and regulations any other authority regulating the activity of the Non-Profit Organizations, in order to protect themselves and avoid terrorist financing and financing of illegal organizations, and particularly shall comply with the due diligence and KYC requirements for all their transactions.
29. Non-Profit Organizations shall maintain all records related to any transaction for a period of at least five years following the completion of the transaction or termination of the relationship with the customer or any other holding period that may be provided.
30. Non-Profit Organizations shall adopt clear policies in order to promote transparency and integrity, and shall use the official financial channels to undertake their transactions.

### **Disciplinary Penalties**

31. Where a DNFBP, or a Non-Profit Organizations or any of its directors, officers or employees has breached any provision of this Policy or a provision of the AML Law, DHCA may impose the appropriate disciplinary penalties provided for under its Regulation and/or the disciplinary penalties set out under article (14) of the AML Law and or DHCA Regulations rules or violations lists.

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END

### **SCHEDULE 1 - KYC Checklist**

#### **KYC documents for individuals:**

- (i) Full name as per valid identification document or passport
- (ii) Nationality
- (iii) Physical address (residential and business address) within and outside of UAE (where applicable)
- (iv) Details of other businesses he/she owns or is involved in
- (v) Anticipated volume of activity
- (vi) Source of funds
- (vii) Bank reference letter

#### **KYC documents for corporate entities:**

- (i) Copy of trade license or certificate of incorporation or certificate of incumbency
- (ii) List of all shareholders, up to the ultimate shareholder/beneficiary, along with the following details: nationality, address, percentage of ownership in the company (unless listed company)
- (iii) List of directors /managers and signatory powers along with the following details: nationality, address, percentage of ownership in the company (unless listed company)
- (iv) Physical address (UAE and country of origin)
- (v) Details of other businesses the entity is involved in
- (vi) Anticipated volume of activity
- (vii) Source of funds
- (viii) Bank reference letter
- (ix) Last two years audited financial statements