



*Being
compliant is not
an act...
It is a habit!*



LET'S TALK ABOUT

ANTI-MONEY LAUNDERING

Real Estate Sector



WHAT IS MONEY LAUNDERING?



Money laundering is defined as any financial or banking transaction aimed at **concealing** or **changing** the source of illegally obtained funds, by passing it through the financial and banking system in order to make it **appear as legitimate** and then **injecting** and **investing** them into **legal activities** to **disguise** their illicit origin.

The UAE is **committed to combatting illegal financial activities** such as money laundering and financing of terrorism. The country's policies and strategies detect and deter financial crimes on its soil, and prevent the use of its land as a transit route or to transfer funds resulting from any criminal activity. The UAE also supports global efforts to counter money laundering and combat the financing of terrorism, seeking to **fully implement the standards of the Financial Action Task Force (FATF)**.

WHAT IS MONEY LAUNDERING?



Any person, having the **knowledge** that the funds are the proceeds of a **felony** or a **misdemeanor**, and who **wilfully** commits any of the following acts, shall be considered a perpetrator of the crime of Money Laundering:

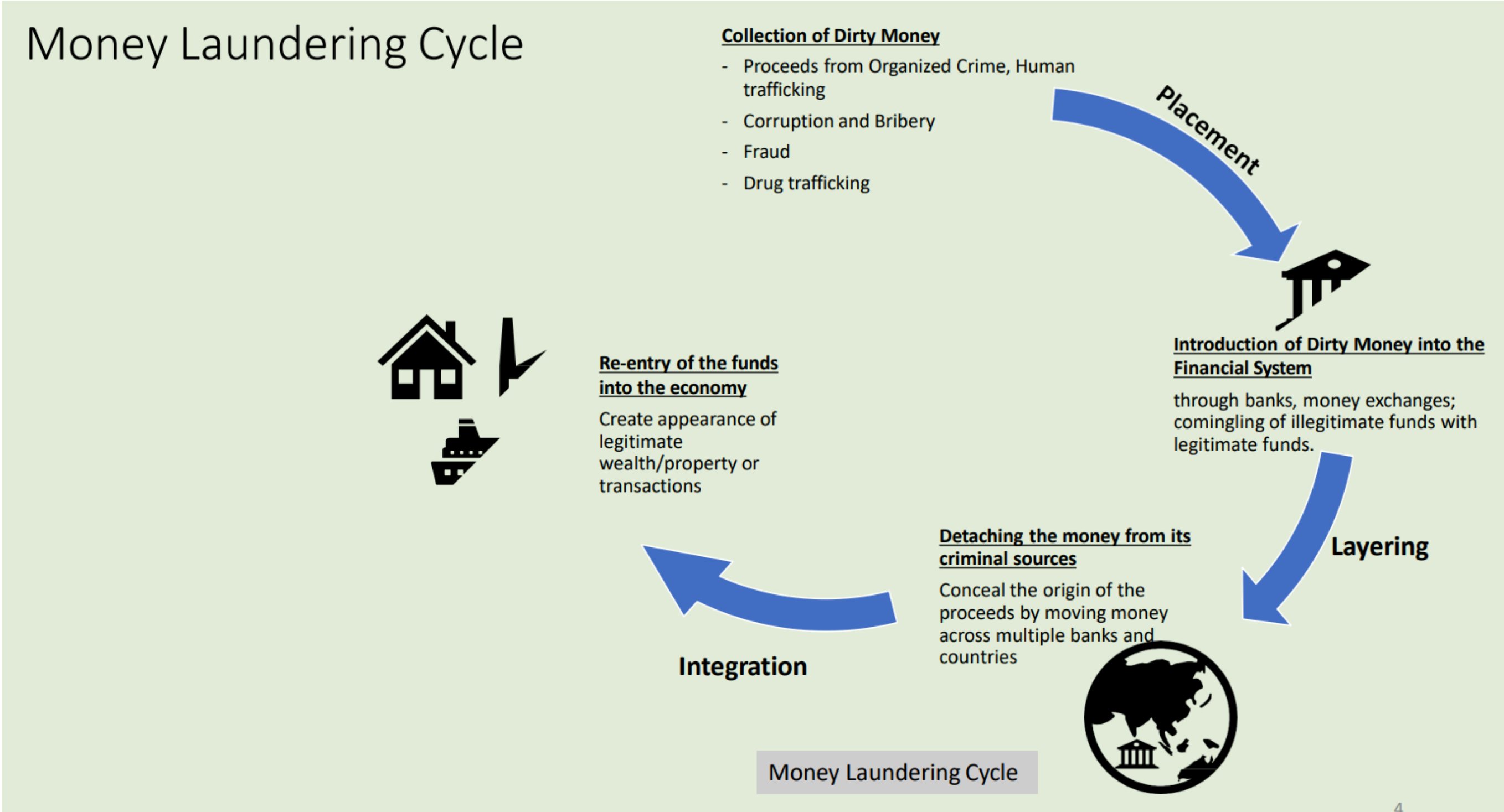
- Concealing unlawfully acquired assets.
- Processing of criminal proceeds to disguise their illegal/true origin.
- Acquiring, possessing or using proceeds upon receipt.
- Assisting the perpetrator of the predicate offense to escape punishment

WHAT IS MONEY LAUNDERING?

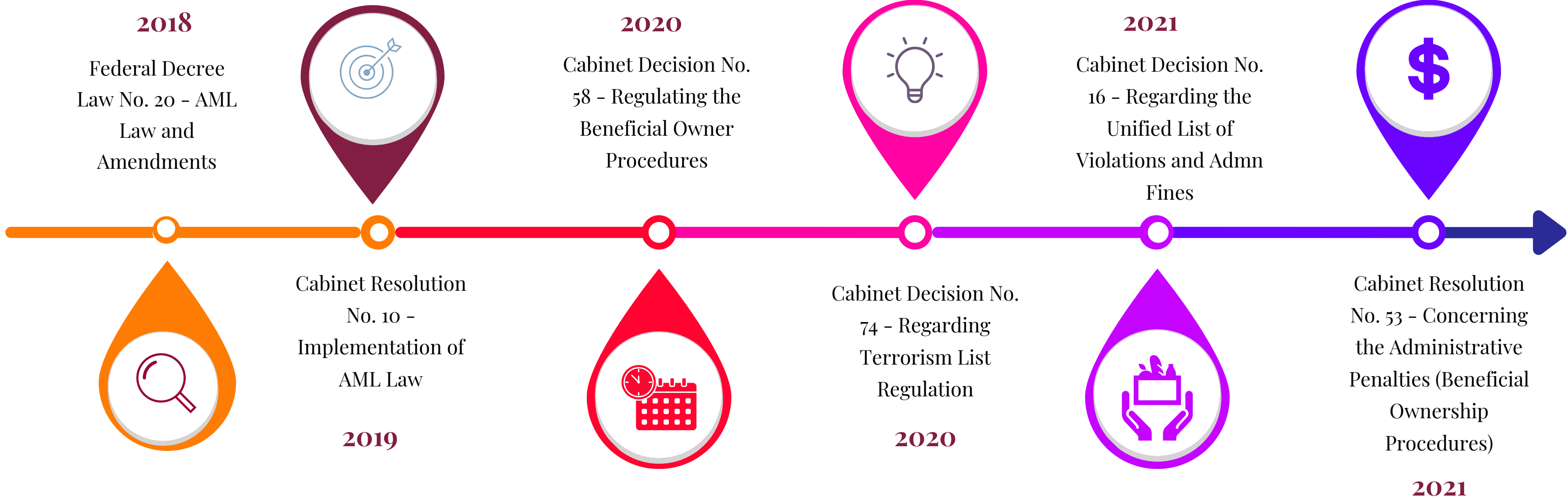
- First, there is a crime that generates dirty money (illegal origin)
- The crime that generates dirty money is called **Predicate Crime**.
- Predicate Crime and Money Laundering are two **separate** and independent crimes.
- Criminals conceal the sources of dirty money by effecting **disguising** operations.



HOW IT WORKS?



TIMELINE OF AML LEGISLATION IN UAE



PURPOSE & REGULATORY BACKGROUND

In 2018, the UAE, with the extensive participation of all concerned authorities, conducted its first **National Risk Assessment** (NRA) on ML-TF. The assessment identified several areas in which the risks of money laundering and terrorist financing was **high**.

In 2019, FATF also evaluated the UAE in accordance with international requirements and found a number of areas that will benefit from a national framework for combating ML and TF.

Accordingly, the UAE designed an outreach program to provide the private sector and Financial Institutions (FI) with an understanding of its NRA and the most vulnerable sectors thus identified. As per this program, Real Estate Brokers and Agents are identified as **Medium-High risk** sectors.



PURPOSE & REGULATORY BACKGROUND

UAE Cabinet Decision No. (10) of 2019 concerning the implementing regulation of Decree Law No. (20) of 2018 on AML-CFT, identifies Designated Non-Financial Businesses and Professions (DNFBP) and subjects them to specific AML-CFT obligations under the AML-CFT legislative and regulatory framework of the United Arab Emirates.

The DNFBPs are defined by FATF and includes:

- Auditors and accountants;
- Lawyers, notaries and other legal professionals and practitioners;
- Company and trust service providers;
- Dealers in jewelry, gems, precious metals and stones;
- **Real estate agents and brokers;**
- Any other DNFBPs as notified by the regulators.



FATF LIST- FEB 2024

Grey List

Bulgaria	Jamaica	Philippines	Turkey
Burkina Faso	Kenya	Senegal	Vietnam
Cameroon	Mali	South Africa	Yemen
Croatia	Mozambique	South Sudan	
DRC	Namibia	Syria	
Haiti	Nigeria	Tanzania	

Removed from the Grey List

Barbados
Gibraltar
Uganda
UAE

Black List

Islamic Republic of Iran
Democratic People's Republic of Korea
Myanmar (Burma)

LET'S WATCH A SHORT VIDEO



WHY IS REAL ESTATE SECTOR USED FOR ML ?



The use of real estate is an established method of money laundering internationally. Criminals buy high-value goods such as real estate as a way of laundering or concealing illicit funds.

Criminals may be drawn to real estate as a channel to launder illicit funds due to the:

- Ability to buy real estate using **cash**.
- Ability to **disguise the ultimate beneficial ownership** of real estate.
- Relative **stability and reliability** of real estate investment
- Ability to **renovate and improve** real estate, thereby increasing the value.
- Criminals are also motivated to buy property for **further profit or lifestyle reasons**.

HOW IS REAL ESTATE SECTOR USED FOR LAUNDERING MONEY

Method 1

Use of Third Parties

This includes use of

- **Family members** or **clean skins** (who have no criminal record)
- **Third party's bank account** to deposit and withdraw illicit funds to buy property.
- **Third parties to transact** on their behalf. This distances criminals from the illicit funds, disguises ownership and complicates asset confiscation efforts by authorities.



Method 2

Manipulation of Property Values

Manipulation of property values involves criminals buying and selling real estate at a **price above or below market value**. Buyers, sellers and/or third parties collude to under or overestimate the value of a property. The difference between the actual and stated values is settled with undisclosed cash payments.

HOW IS REAL ESTATE SECTOR USED FOR LAUNDERING MONEY

Method 3

Purchase of real estate to facilitate other criminal activity

- Criminals may buy property using illicit funds with the intention of conducting **criminal activity** at the property; for example, human trafficking, arms smuggling, etc. Funds generated from this criminal activity may then be used to **buy additional properties**. By investing illicit funds in real estate, criminals aim to disguise the original source of the funds.

Method 4

Renovations and improvements to property

- Criminals use illicit funds to pay for **renovations**, thereby increasing the value of property. Additionally, contractors and tradespeople **may not declare cash payments** received for the renovations, to evade tax. The property is then sold at a higher price. The use of illicit funds to pay for property renovations enables layering and integration.

HOW IS REAL ESTATE SECTOR USED FOR LAUNDERING MONEY

Method 5

Use of front companies, shell companies, trust and company structures

- Front companies, shell companies, trusts and company structures established domestically or offshore. Property titles held in the name of a company or a shell company **distance the criminal** from ownership, with control vested in the hands of third parties to avoid any obvious links to criminals.

Method 6

Use of professional facilitators or ‘gatekeepers’

- Professionals such as lawyers, accountants, **real estate agents**, financial advisers and trust and company service providers are known as ‘gatekeepers’ because, either willingly or unknowingly, they can provide an entry point for those seeking to misuse legitimate financial and corporate systems for money laundering.
- The use of a professional provides a **vener of legitimacy** to criminal activity and a buffer between criminals and their financial activities and assets.

HOW IS REAL ESTATE SECTOR USED FOR LAUNDERING MONEY

Method 7

Use of loans and mortgages

- Criminals use loans or mortgages to layer and integrate illicit funds into high-value assets such as real estate. Loans or mortgages are essentially taken out as a cover for laundering criminal proceeds. Lump sum cash repayments or smaller **'structured' cash** amounts are used to repay loans or mortgages. This allows illicit funds to be commingled with legitimate funds.

Method 8

Rental income to legitimize illicit funds

- In an effort to legitimize illicit funds, criminals provide the tenant with illicit funds to cover rent payments, either partially or in full. Criminals can also deposit their illicit funds into an account as **'fictitious' rent** which gives the appearance of legitimate rental income to commingle legitimate rental income with illicit funds.

THREE LINES OF DEFENCE

First Line of Defence

Business

Detect, Deter, Investigate

This includes

- Front office staff,
- Sales/service teams responsible for client onboarding, KYC, CDD, Off-boarding, etc.

Responsible for

- Implementing AML policy and procedures
- Transaction monitoring, assurance and reporting red flags.

Second Line of Defence

Compliance Function

Advice, Guide, Protect

This includes

- Compliance Officer
- Compliance Team

Responsible for

- Compliance and monitoring
- Setting up policies
- Providing advice, investigating and reporting suspicious transactions.
- Liaisoning with the Regulator & Sanctions Advisory,

Third Line of Defence

Audit Function

Test, Challenge, Report

This includes

- Internal AML Auditors

Responsible for

- Independently reporting to the BOD
- Evaluates the risk management and controls
- No management responsibilities

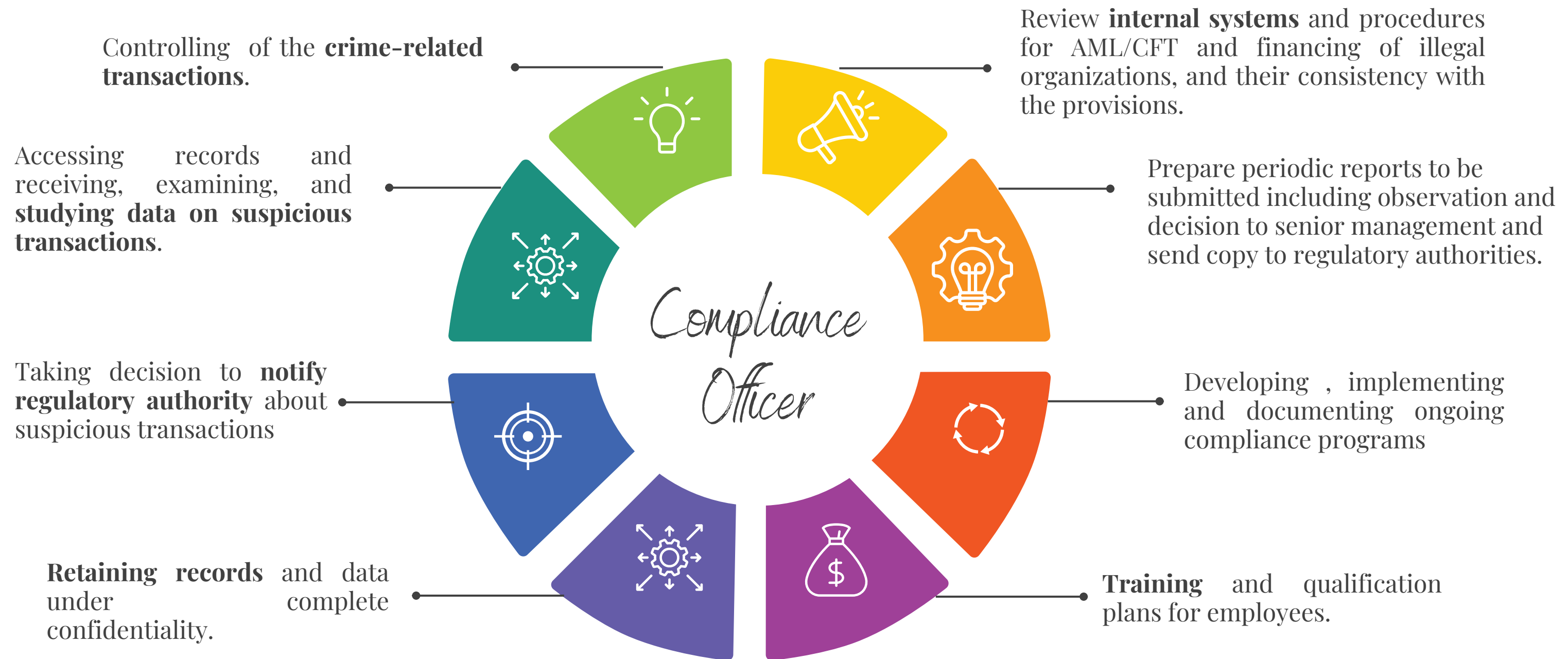
AML/CFT OBLIGATIONS FOR DNFBP

Key provisions in the regulations affecting the DNFBP sector are:



AML/CFT OBLIGATIONS FOR DNFBP

As per Article 21 of Cabinet Decision No. (24) of 2022, DNFBP should appoint a compliance officer who shall have the appropriate competence and experience under its responsibility to carry out the following:



AML/CFT OBLIGATIONS FOR DNFBP

Roles & Responsibilities of the Compliance Officer

- Monitoring **day-to-day operations** for compliance by the Company with its AML policies, procedures, systems and controls.
- Reviewing company **policy and procedures** and internal systems relating to combating the Financial Crime and their consistency with the current Decree–Law and Cabinet Decision.
- Perform **Enterprise-wide AML risk assessment** of the Company on an annual basis.
- Design **KYC Forms** for Individual and Corporate customers.
- Perform **Customer Risk Rating and Risk Profiling** of every customer and in case of ‘High’ risk, list the additional checks and documentation required as part of the Enhanced Due Diligence.
- Reviewing internal **Unusual Activity Reports** (UAR) and in the event an external Suspicious Activity Report (SAR) is not submitted to the FIU, documenting the rationale and measures taken to mitigate the risk.

AML/CFT OBLIGATIONS FOR DNFBP

Roles & Responsibilities of the Compliance Officer

- Submitting **Suspicious Activity Report** (SAR) to the FIU through the goAML portal.
- Acting as the **point of contact** for the regulators, law enforcement, and other UAE Authorities regarding money laundering issues.
- Responding promptly to any request for **information made by the authorities**.
- **Receiving and acting upon** any AML-relevant findings, recommendations, guidance, directives, resolutions, sanctions, notices, or other conclusions.
- Establishing and maintaining an appropriate ongoing money laundering **training program** and adequate awareness arrangements about the AML regulations, the Company's policies and procedures, the potential red flags, and internal controls.
- Preparing and submitting **semi-annual reports**, considering the above points, to senior management. Copy of the report to be sent to MOE with senior management remarks and decisions

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AML/CFT OBLIGATIONS FOR DNFBP

Roles & Responsibilities of the Compliance Officer

- **Reporting all regulatory breaches** to the supervisory authorities (regulators) in accordance with the applicable requirements, maintaining complete confidentiality.
- Identify the **risk associated with new services** or in case of significant change in the business model or customer profile.
- Ensure that all relevant records are maintained for **at least 5 years**.



RISK – BASED APPROACH

The Company is required to adopt a risk-based approach to identify and assess its exposure to ML-FT risk. This includes assessing the following risk factors:

1

CUSTOMER RISK

Country of incorporation and nationality of UBO, PEP, source of funds, customer risk mismatch.

2

PRODUCT, SERVICE AND TRANSACTION COMPLEXITY RISK

Complexity of products, services and transactions, existing typologies, transparency, and size/value of transactions.

3

GEOGRAPHY RISK

Country where the service is provided considering the UNSCR sanctions list, UAE terrorists list and FATF black/grey list

4

CHANNEL RISK

Non face to face, intermediaries, third party introducers, channel by which the customer is introduced.

5

OTHER RISK

Terrorist financing, proliferation financing and new and emerging technologies (Virtual currency, etc.) as identified under the UAE National Risk Assessment.

FOUR STEPS BEFORE ONBOARDING THE CLIENT



01

KNOW YOUR CUSTOMER

KYC checks are the initial background checks and involves the verification of the customer's identity, using documents like photographic ID, proof of date of birth and proof of address.



02

SCREENING

All potential customers are screened against UNSC and UAE Local Terrorist list to identify anyone on this list and attempting to transact with the Company. Any such name screening matches are reported to the appropriate regulators through goAML.



03

RISK RATING

Based on the results of the the KYC and Screening, every customer is rated considering five risk factors defined by the regulation. These include, Customer risk, Geography Risk, Product Risk, Delivery Channel Risk, Transaction complexity & Volume risk and Other risk.



04

CUSTOMER DUE DILIGENCE

This is before onboarding the customer and continues even after the customer has been onboarded. CDD is a longer process which begins once primary information on the client is collected on the customer.

SCREENING CUSTOMERS FOR SANCTIONS LIST

Real estate brokers must undertake regular and ongoing screening on the latest Local Terrorist List and UN Consolidated List.

Screening must be undertaken in the following circumstances:

- Upon any updates to the Local Terrorist List or UN Consolidated List. In such cases, screening must be conducted immediately and without delay to ensure compliance with implementing freezing measures without delay (within 24 hours).
- Prior to onboarding new customers.
- Upon KYC reviews or changes to a customer's information.
- Before processing any transaction.



SCREENING CUSTOMERS FOR SANCTIONS LIST

- Legal Framework
 - United Arab Emirates and United Nations Legal Framework for Economic Sanctions
 - Terrorism and terrorist financing
 - The financing of proliferation of WMDs
 - Other UN sanctions regimes with Targeted Financial Sanctions
- Local Terrorist List
- Sanctions Implementation
- Sanction Evasion
- UAE Government Authorities Role
- Grievances and Requests
- Frequently Asked Questions
- Online Resources
- Contact

United Arab Emirates and United Nations Legal Framework for Economic Sanctions

The United Nations Security Council (UNSC) holds the capacity to take action in seeking to maintain or restore international peace and security under Chapter VII of the United Nations Charter, including by imposing sanctioning measures under Article 41, which encompass a broad range of enforcement options that do not involve the use of armed force. The UNSC has the authority to issue binding resolutions on United Nations (UN) member states.

The United Arab Emirates (UAE), as a member of the UN, is committed to implement the United Nations Security Council Resolutions (UNSCRs), including those related to UN sanctions regimes. Consequently, through the Cabinet Resolution No. 74 of 2020, the UAE is implementing UNSCRs on the suppression and combating of terrorism, terrorist financing & countering the financing of proliferation of weapons of mass destruction, in particular, targeted financial sanctions (TFS) regimes as defined by the UN.

Security Council sanctions have taken several different forms, in pursuit of a variety of goals. The measures have ranged from comprehensive economic and trade sanctions to more targeted measures such as arms embargoes, travel bans, and financial or commodity restrictions. The Security Council has applied sanctions to support peaceful transitions, deter non-constitutional changes, constrain terrorism, protect human rights and promote non-proliferation of weapons of mass destruction (WMDs).

As stated above, the UN sanctions regimes include different measures that countries must apply; however the following explains only how to implement in the UAE the targeted financial sanctions related to the freezing measures and prohibition to provide funds and services in accordance with the following UNSCRs. Individuals and legal entities in the UAE should also refer to relevant rules, regulations, and guidance published by the Supervisory Authorities and the UN Security Council.

Terrorism and terrorist financing:

1. Islamic State in Iraq and the Levant (Da'esh), Al-Qaida, and associated individuals, groups, undertakings, and entities.	UNSCR 1267 (1999), 1989 (2011) and its successor resolutions
2. The Taliban, and associated individuals, groups, undertakings, and entities.	UNSCR 1988 (2011) and its successor resolutions
3. Any individual or entity designated by the United Arab Emirates (Local Terrorist List).	UNSCR 1373 (2001)

The financing of proliferation of WMDs:

1. Democratic People's Republic of Korea (DPRK): nuclear-related, other weapons of mass destruction-related, and ballistic missile-related programs.	UNSCR 1718 (2006) and its successor resolutions
2. Islamic Republic of Iran: nuclear program	UNSCR 2231 (2016)

Other UN sanctions regimes with Targeted Financial Sanctions:

1. Somalia	UNSCR 1844 (2008)
2. Iraq	UNSCR 1483 (2003)
3. Congo	UNSCR 1696 (2006) & UNSCR 1807
4. Related to the involvement of terrorist bombing in Beirut (2005)	UNSCR 1636 (2006) & UNSCR 1701 (2006)



UN page
The United Nations Security Council (UNSC) holds the capacity to take action in seeking...
uaeiec.gov.ae

Quick Links
Sanctions List

PROHIBITED CUSTOMERS

The Company will generally not establish business relationships:

If entity is a shell company i.e., there is no adequate economic substance in the country and is formed as a vehicle to launder money.

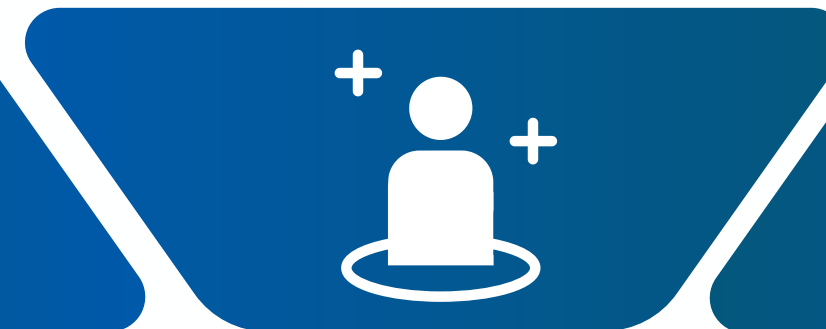
If the corporate is registered or the UBO is a resident and national of any of the sanctioned countries, as identified by the UNSC sanction and UAE terrorist list or FATF blacklist.



If the ownership or control arrangements of a legal person or entity cannot be identified and verified or where the structure is fairly complex.



If the individual is a resident and national of any of the sanctioned countries, as identified by the UNSC sanction and UAE local terrorist list or FATF blacklist.



If it involves anonymous accounts or anonymous persons i.e., those using fictitious names or where the true identity of a beneficial owner cannot be established.

SUSPICIOUS ACTIVITY OR TRANSACTION

The UAE AML regulations require that the organization should report any transaction, attempted transaction, or funds **constituting criminal sources** by raising a suspicious transaction report and submitting it to the **Financial Intelligence Unit (FIU)** using the goAML system. The suspicious transaction reports should be filed regardless of the size of the amount.

Unusual Activity Report (UAR)

If an employee either knows or suspects or has a reasonable ground for knowing or suspecting that the attempted transaction or funds involved (in whole or part) are

- Proceeds of Crime
- Related to the crime or money laundering and financing of terrorism
- Are being intended to be used in such activity

...then, the employee is obliged to raise a UAR to notify the Compliance Officer.

SUSPICIOUS ACTIVITY OR TRANSACTION

The idea of '**reasonable grounds**' to suspect, introduces an objective rather than a subjective test of suspicion, by assessing whether or not suspicion was ignored by way of:

- Willful blindness
- Negligence that is willfully and recklessly failing to make adequate enquiries; or
- Failing to assess adequately the facts and information that are either presented or available.

The Compliance Officer must document:

- The steps taken to investigate the circumstances in relation to which an internal UAR is made.
- Where no external SAR/STR is made to the competent authority, justification on the rationale why & how the risk was negated or mitigated.

Once the CO has determined that the suspicion reported in the UAR is reasonable, then they should raise an external **Suspicious Activity Report (SAR) / Suspicious Transaction Report (STR)** and report it on the goAML system to the FIU, including all the details about the subject of the SAR and the reason the activity is considered suspicious.

TARGETED FINANCIAL SANCTIONS (TFS)

The United Nations Security Council (UNSC) in certain cases resort to **imposing sanctions** to maintain or restore international peace and security. The UN Security imposes various sanctions against individuals and entities. The United Arab Emirates, as a member state of UN, is committed to implement UNSC sanctions and also publishes its own national sanctions / local terrorism list. No business can be entertained with Individuals and entities listed.

- **Terrorist Financing:** Terrorist Financing is the financing of **terrorist acts, and of terrorists and terrorist organizations**. Terrorist financing includes financing the travel of individuals for the purpose of the perpetration, planning, or preparation of, or participation in, terrorist acts or the providing or receiving of terrorist training.
- **Proliferation Financing:** Proliferation Financing is the act of providing funds or financial services which are used, in whole or in part, for the manufacture, acquisition, possession, development, export, transshipment, brokering, transport, transfer, stockpiling or use of **nuclear, chemical or biological weapons** and their means of delivery and related materials (including both technologies and dual use goods used for non-legitimate purposes), in contravention of national security measures.

OBLIGATIONS TO MAINTAIN TFS



Register on the EOCN website to receive automated notifications related to new listing, re-listing, updating, or de-listing decisions issued by the UN Security Council, the Sanctions Committee or the Cabinet.

Undertake regular and ongoing screening on the Local Terrorist List or UN Consolidated List. Screening must be undertaken in case of updates to the lists, prior to onboarding new customers and upon KYC review or changes to the customers' account.

For **Confirmed Match**

- Implement freezing measures, without delay (within 24 hours) and without prior notice to the listed person.
- Prohibit the provision of funds or services, whether in whole or in part, directly or indirectly to the entity, individual or group designated in the sanctions lists.

For **Partial Match**

- That cannot be verified, all transactions must be immediately suspended, and no funds or services should be offered.

On identifying a confirmed or partial match, submit a Funds Freeze Report (FFR) or Partial Name Match Report (PNMR) within 5 days from the respective measures taken.

RED FLAGS

The Ministry of Economy as part of the **supplemental guidance** has provided some common indicators of ML that organizations can watch for. There is no exhaustive list of tried-and-true suspicious activity indicators for businesses. These should be reported immediately to the CO for further guidance.

- Hiding or disguising the identity of **beneficial owner** or owners.
- Concealing or disguising the **illegal origin** of the funds/not sure of origin of funds when asked for documentation (SOF form)
- Use of **complex loans** or credit finance methods
- Use of **non-financial professionals** (such as real estate and legal professionals to process/initiate transactions)
- Use of **corporate vehicles** and **front companies**
- Manipulation of the **appraisal** or **valuation of a property** (refurbished property sold at higher prices just after purchase to friends/relatives/close associates)
- Use of mortgage schemes (including **fraudulent mortgage** schemes)
- Bulk **shopping spree** for luxury properties without being interested in the location or facilities of the property
- Buyer collusion (multiple buyers **inflate property prices** to buy at the highest price, in an attempt to wash the funds)
- **Multiple** property purchase and sale in a short span of time.
- Value of property **not matching** the profile of the customer.

REPORTING TO THE FIU

SAR – Suspicious Activity Report

STR – Suspicious Transaction Report (including attempted transactions)

FFR – Funds Freeze Report

PNMR – Partial Name Match Report

REAR – Real Estate Activity Report

POWERS OF THE SUPERVISORY AUTHORITY- MOE

Articles 13 of Federal Decree Law No. (20) of 2018

The Supervisory Authorities shall carry out supervision, monitoring and follow up to ensure compliance with the present Decree-Law and its Implementing Regulation and shall have the following competencies:

- Conduct a risk assessment on the likelihood of the perpetration of a crime within the FIs, DNFBPs and NPO.
- Conduct Control and audit inspections over FIs, DNFBPs and NPO, both remotely and on site.
- Issue the decisions related to the administrative penalties in accordance with the provisions of this Decree-Law and its Implementing Regulation, the grievance mechanism, and keep statistics of measures taken and penalties imposed.
- Any other specialized activities stipulated in the Implementing Regulation of the present Decree-Law.



PENALTIES UNDER FEDERAL DECREE LAW

Articles 14 - 31 of Federal Decree Law No. (20) of 2018

Article 14 - Step by step penalties by the Supervisory Authorities

The Supervisory authority shall impose the following administrative penalties on the FIs, DNFBPs and NPOs in case they violate the present Decree-Law and its Implementing Regulation:

- Warning
- Administrative penalties of no less than AED 50,000 and no more than AED 5,000,000 for each violation.
- Banning the violator from working in the sector related to the violation for the period determined by the supervisory authority.
- Constraining the powers of the Board of Directors, supervisory or executive management members, managers or owners who are proven to be responsible of the violation including the appointment of temporary inspector.
- Suspending Managers, Board of Directors, and supervisory and executive management members who are proven to be responsible of the violation for a period to be determined by the Supervisory Authority or request their removal.
- Suspend or restrict the activity or the profession for a period to be determined by the supervisory authority.
- Cancel the License.
- Legal prosecution.

Except for cancellation of license, the Supervisory Authority may upon imposing the administrative penalties, request regular reports on the measures taken to correct the violation.

POTENTIAL
RED FLAGS
FOR
MONEY LAUNDERING



CASE ONE

Scenario

Mr. X a Brazilian national is involved in the distribution of drugs.

- He uses his illicit funds to buy several properties with the intention to dispose-off in a short period of time.
- He uses cash to make down payments
- Resorts to structuring by making multiple deposits of smaller amounts (below the reporting threshold) in his bank account to pay the instalments.

Red Flags

- Buying and selling properties within a short period of time
- Using cash during down payment, to integrate the funds in the system and get the proceeds subsequently in the form of bank transfer from the buyer of the property.
- Making multiple payments towards property instalments.

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- Using cash during down payment, to integrate the funds in the system and get the proceeds subsequently in the form of bank transfer from the buyer of the property.
- Making multiple payments towards property instalments.

Recommended solution

- Check for the client's source and proof of funds, the nature of their business, and the rationale behind the rapid buying and selling of properties.
- Report the transaction to the MLRO (through Unusual Activity Report), for further investigation and reporting as a SAR by them, if deemed necessary.

CASE TWO

Scenario

- Mr. Y is a citizen of a country with high level of secrecy. He sets up a company in the UAE in the name of his wife. The property is bought in the name of the company with the money transferred from overseas by Mr. Y.

Red Flags

- The property is bought purposely in the name of the company with no trace of Mr. Y in this deal.
- The company is treated as the source of funds, while it is in existence for a short while and has not generated enough revenue.
- The property is bought from funds which are transferred by the husband (Mr. Y) from a jurisdiction which is known for weak AML compliance.

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- The company is treated as the source of funds, while it is in existence for a short while and has not generated enough revenue.
- The property is bought from funds which are transferred by the husband (Mr. Y) from a jurisdiction which is known for weak AML compliance.

Recommended Solution

- The Real Estate agent should enquire the actual source of funds rather than taking the details provided at face value on the KYC Form.
- Apply the same on-boarding process for Mr. Y, in terms of a thorough KYC, screening, risk assessment and EDD (if required), as the property is funded by him.
- Raise an Unusual Activity Report (UAR) with the MLRO to trigger a further investigation.

KNOWLEDGE CHECK

Question 1:

The main responsibility of complying with the AML regulation lies with

- Every employee of the company
- Top management
- Compliance officer

KNOWLEDGE CHECK

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The main responsibility of complying with the AML regulation lies with

- Every employee of the company
- Top management
- Compliance officer

KNOWLEDGE CHECK

Question 2:

Any suspicious transaction requires to be reported to the FIU by the front-line employees

- True
- False

KNOWLEDGE CHECK

Question 2:

Any suspicious transaction requires to be reported to the FIU by the front-line employees

- True

- False

KNOWLEDGE CHECK

Question 3:

What is the order to be followed before onboarding the client

- KYC – Screening – Risk Assessment – Due Diligence
- Screening – KYC – Due Diligence – Risk Assessment
- Risk Assessment – Due Diligence – Screening – KYC

KNOWLEDGE CHECK

Question 3:

What is the order to be followed before onboarding the client

- KYC – Screening – Risk Assessment – Due Diligence
- Screening – KYC – Due Diligence – Risk Assessment
- Risk Assessment – Due Diligence – Screening – KYC

KNOWLEDGE CHECK

Question 4:

The statute governing the AML regulations is

- Federal Decree Law No. 20
- Cabinet Resolution No. 10
- Federal Decree Law No. 18

KNOWLEDGE CHECK

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- Federal Decree Law No. 20
- Cabinet Resolution No. 10
- Federal Decree Law No. 18

KNOWLEDGE CHECK

Question 5:

The DNFBPs include

- Exchange dealers, real estate brokers, accountants
- Real estate developers, trust and corporate service providers, lawyers
- Dealers in precious metals and stones, accountants
trust and corporate service providers

KNOWLEDGE CHECK

Question 5:

The DNFBPs include

- Exchange dealers, real estate brokers, accountants
- Real estate developers, trust and corporate service providers, lawyers
- Dealers in precious metals and stones, accountants, trust and corporate service providers

KNOWLEDGE CHECK

Question 6:

The three stages of money laundering

- Placement, layering, integration
- Layering, placement, investment
- Combination, Integration, placement

KNOWLEDGE CHECK

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The three stages of money laundering

- Placement, layering, integration
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- Combination, Integration, placement

KNOWLEDGE CHECK

Question 7:

Cash received in excess of the following needs to be reported to the FIU by real estate brokers

- AED 50,000
- AED 55,000
- No reporting required

KNOWLEDGE CHECK

Question 7:

Cash received in excess of the following needs to be reported to the FIU by real estate brokers

- AED 50,000
-
- No reporting required

KNOWLEDGE CHECK

Question 8:

Three lines of defense

- Top management, compliance officer and CFO
- Risk officer, Internal audit and Business
- Business, Compliance and Audit

KNOWLEDGE CHECK

Question 8:

Three lines of defense

- Top management, compliance officer and CFO
- Risk officer, Internal audit and Business
- Business, Compliance and Audit

KNOWLEDGE CHECK

Question 9:

The minimum period for which the records need to be maintained

- 60 months
- 72 months
- 50 months

KNOWLEDGE CHECK

Question 9:

The minimum period for which the records need to be maintained

- 60 months
- 72 months
- 50 months

KNOWLEDGE CHECK

Question 10:

Any funds freeze or partial name match has to be reported by the CO to the FIU within

- 24 hours
- 72 hours
- 120 hours

KNOWLEDGE CHECK

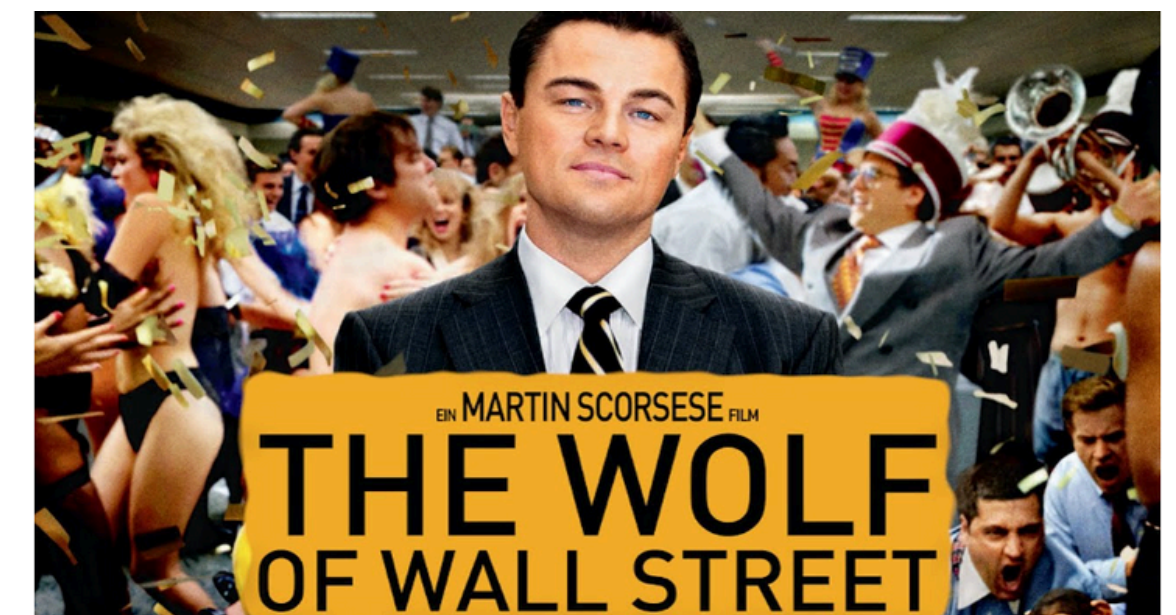
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Any funds freeze or partial name match has to be reported by the CO to the FIU within

- 24 hours
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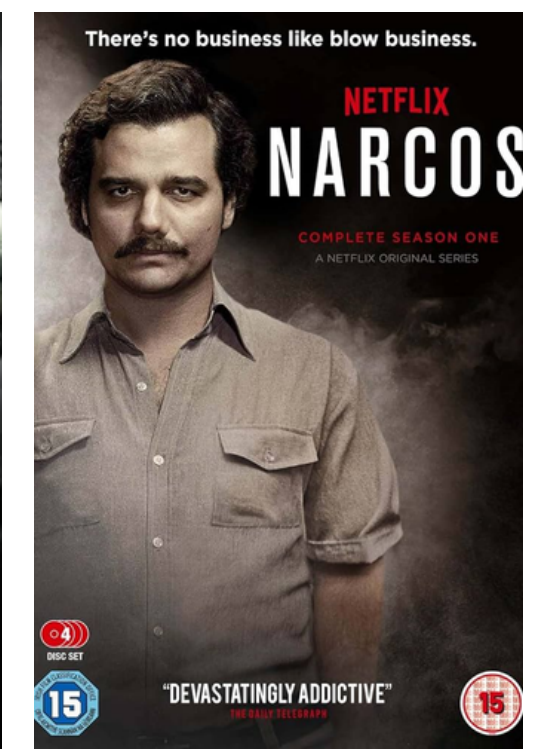
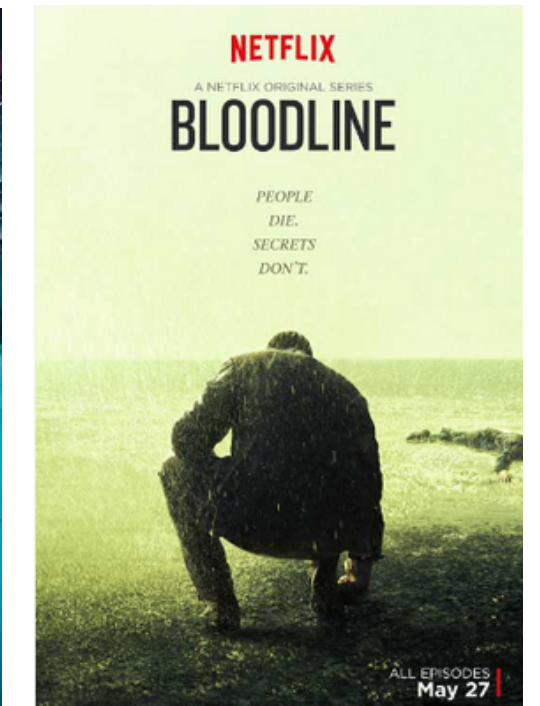
WHEN ART IMITATES LIFE

- **The Laundromat (2019):** Based on the Panama Papers leak, this darkly comedic film by Steven Soderbergh follows two fictional stories intertwined with the real-life scandal, exposing the global web of financial secrecy and tax evasion.
- **The Wolf of Wall Street (2013):** Martin Scorsese's fast-paced and exhilarating biopic of Jordan Belfort, a stockbroker who engaged in rampant fraud and money laundering, delves into the psychology of greed and corruption.
- **The Big Short (2015):** This Oscar-winning film chronicles the financial crisis of 2008 through the eyes of several investors who predicted it, highlighting the role of financial institutions and offshore havens in facilitating money laundering.



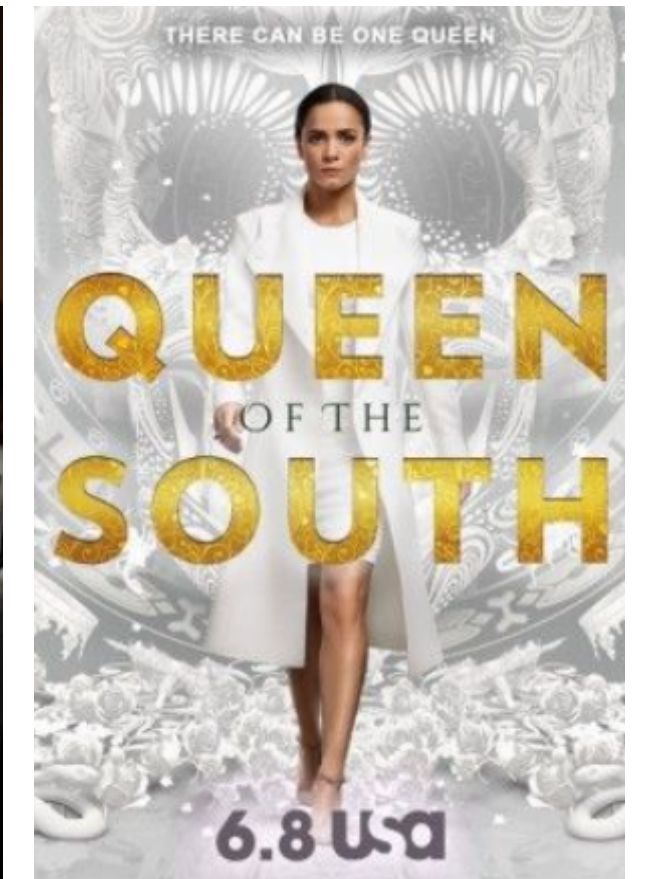
WHEN ART IMITATES LIFE

- **Ozark (2017-2023):** A financial advisor relocates his family to the Missouri Ozarks to launder money for a Mexican drug cartel, facing ethical dilemmas and dangerous consequences as he gets deeper into the criminal underworld.
- **Bloodline (2015-2017):** A respected family in the Florida Keys hides dark secrets and criminal activities, including money laundering for a local drug ring, as their past threatens to unravel their carefully constructed facade.
- **Dirty Money (2017-present):** This docu-series delves into various real-life financial crimes and scandals, including money laundering schemes used by corporations, high-profile individuals, and organized crime.
- **Narcos (2016):** This landmark case profoundly underscores the unwavering commitment of the global community to relentlessly combat drug-related financial crimes



WHEN ART IMITATES LIFE

- **Inventing Anna (2022):** Inspired by the true story of Anna Sorokin, who posed as a wealthy German heiress to defraud New York elite social circles and financial institutions, this series explores themes of identity, fraud, and the complexities of financial crime.
- **American Hustle (2013):** Set in the 1970s, this crime drama follows a con artist, an FBI agent, and a seductive politician who team up to expose a corrupt mayor, showcasing the use of casinos and shell companies for money laundering
- **Queen of the South (2016-2021):** A woman rises from small-time drug runner to become a powerful drug cartel leader in Mexico, navigating the treacherous world of narco-trafficking and money laundering.



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COMPLIANCE IS A JOURNEY...



THANK YOU
FOR
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