

Appendix 16

In this appendix underlining indicates proposed new text and striking through indicates deleted text.



The DFSA Rulebook

**Anti-Money Laundering, Counter-Terrorist
Financing and Sanctions Module**

(AML)

15 DNFBP REGISTRATION AND SUPERVISION

Guidance

1. A DNFBP should ensure that it complies with and has regard to relevant provisions of the Regulatory Law 2004. The Regulatory Law 2004 gives the DFSA a power to supervise DNFBPs', compliance with relevant AML laws in the U.A.E. It also gives the DFSA a number of other important powers in relation to DNFBPs, including powers of enforcement. This includes a power to obtain information and to conduct investigations into possible breaches of the Regulatory Law 2004. The DFSA may also impose fines for breaches of the Law or the Rules.
2. The DFSA takes a risk-based approach to regulation of persons which it supervises. Generally, the DFSA will work with DNFBPs to identify, assess, mitigate and control relevant risks where appropriate. RPP describes the DFSA's enforcement powers under the Regulatory Law 2004 and outlines its policy for using these powers.

15.1 Registration and notifications

15.1.1 A DNFBP must register with the DFSA by way of a notification by completing and submitting the appropriate form in the AFN Sourcebook.

15.1.2 A DNFBP must promptly notify the DFSA of any change in its:

- (a) name;
- (b) legal status;
- (c) address; or
- (d) if applicable, its MLRO.

15.2 Withdrawal of registration

15.2.1 A DNFBP must notify the DFSA in writing when it proposes to cease carrying on its business activities in or from the DIFC.

15.2.2 A DNFBP which proposes to cancel its registration as a DNFBP must provide the DFSA with 14 days' written notice of such cancellation and provide written evidence of the basis of its withdrawal.

15.2.3 (1) The DFSA may cancel the registration of a DNFBP:

- (a) if the DNFBP notifies the DFSA of the cancellation in accordance with Rule 15.2.2 and the DFSA is satisfied with the evidence provided;
- (b) if the DNFBP's commercial licence is cancelled or expires and a reasonable time has passed without such licence being renewed;

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- (c) following a request by the ROC;
 - (d) in the event of the insolvency or the entering into administration of the DNFBP; or
 - (e) if the DFSA considers it necessary or desirable in the interests of the DIFC.
- (2) The procedures in Schedule 3 to the Regulatory Law 2004 apply to a decision of the DFSA under (1)(b) to (e).
- (3) If the DFSA decides to exercise its power under (1)(b) to (e), the DNFBP may refer the matter to the FMT for review.

- 15.2.4** ~~(1) The DFSA may only cancel the registration of a DNFBP under Rule 15.2.3 (b) to (e) if it has given the person an opportunity to make representations in relation to the proposed cancellation.~~
- ~~(2) If the DFSA cancels the registration of a DNFBP under Rule 15.2.3, the DFSA shall without delay inform the DNFBP in writing of:~~
- ~~(a) such decision;~~
 - ~~(b) the reasons for the decision; and~~
 - ~~(c) the date on which the decision shall be deemed to take effect.~~

- 15.2.5** ~~A DNFBP may appeal to the DFSA's Regulatory Appeals Committee against any decision of the DFSA to cancel its registration under Rule 15.2.3 (b) to (e).~~

Guidance

1. A DNFBP may request a cancellation of its registration because, for example, it no longer meets the definition of a DNFBP, becomes insolvent or enters into administration, or proposes to leave the DIFC.
2. The DFSA would expect to use the power to cancel the registration of a DNFBP under Rule 15.2.3(1)(e) once its supervisory tools have been exhausted. Examples of when it might use this power include where a DNFBP commits serious or persistent breaches of the AML Rules which it fails to rectify, or where the DNFBP or its activities in or from the DIFC create risks to the DFSA's regulatory objectives.
3. ~~Under Article 28 of the Regulatory Law, a person wishing to appeal to the Regulatory Appeals Committee a decision of the DFSA must submit a written notice of appeal within 30 days of the notification of the relevant decision. The form of submission that an appeal must take is specified in the rules of procedures of the Regulatory Appeals Committee. Information on the DFSA's Regulatory Appeals Committee can be found on the DFSA website.~~

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