



April 5, 2023

RESOLUTION THAT AMENDS, ADDS AND REPEALS VARIOUS PROVISIONS ON NON-FACE-TO-FACE IDENTIFICATION.

This is an update to our [Legal Alert](#) published on December 19th, 2022.

Today was published in the Federal Official Gazette the “*RESOLUTION THAT AMENDS, ADDS AND DEROGATE GENERAL PROVISIONS REFERRED TO IN ARTICLE 95 BIS OF THE GENERAL LAW OF ORGANIZATIONS AND AUXILIARY CREDIT ACTIVITIES, APPLICABLE TO MONEY TRANSMITTERS REFERRED TO IN ARTICLE 81-A BIS OF THE SAME ORDINANCE*” (the “**Resolution**”). Here you can find the publication.

The Resolution enters into force on the working day following its publication, thus it will be on April 10, 2023. However, the following transitional exceptions are provided:

- i. In the case of money transmitters who, prior to the Resolution, have obtained the approval of the National Banking and Securities Commission (the “**Commission**”) to carry out non-presential operations, they must reapply for authorization within a period not exceeding twelve months, adhering to the criteria established in the Resolution.
- ii. Four months to amend the compliance manual and submit it to the Commission;
- iii. Nine months to modify the methodology of the risk-based approach;
- iv. Eighteen months to upgrade automated systems.

In addition to the above, the money transmitters that are located in the assumption to present the notice and not the authorization, must do so through the email prevención.lavado@cnbv.gob.mx until the Commission determines another means.

Finally, the new report that is added through the Resolution will be mandatory until the Commission publishes the resolution by means of which the format and electronic means for its presentation are indicated.

I. Non-face-to-face identification process

The Resolution modifies the definition of devices (“*Device*”) establishing itself as “the equipment that allows access to the Internet, which can be used to perform the operations, through internet sites or mobile applications, among other technological developments that





the money transmitters themselves make available to their users to carry them out”. However, that equipment that is owned by the entities, is under their control, is granted under additional controls by the entities to their customers for the performance of operations and those that are installed in the branches of the entities will not be considered as Devices.

Previously money transmitters could not operate if Geolocation was not obtained, the Resolution allows entities to enter into operations or contracts through Devices that cannot provide exact geolocation, as long as the entities obtain approximately geolocation based on the Internet Protocol provided by the user's Device.

“*Technological Identification Mechanism*” shall be understood as one of the two procedures established in Annex 2, which are detailed below.

It will only be possible to operate in a non-face-to-face manner with Mexican natural and legal persons and only the following will be valid as identifications: the credential to vote, the passport and the consular registration certificate.

Money transmitters shall keep documents in accordance with the applicable official Mexican standard on digitization and storage of data materials or consider an international standard provided that the standard of compliance has at least the requirements of the official Mexican standard and does not contravene it.

The obligation to make the video call in real time is delated and 2 Technological Identification Mechanisms are included which may be used depending on the thresholds at which it is intended to operate: (a) up to five thousand dollars of the United States of America or (b) up to seven thousand dollars of the United States of America.

To operate with the threshold of five thousand dollars, money transmitters will be able to identify their users by means of a recording containing image and sound. They must also take a life test.

On the other hand, in case of operating with the threshold of seven thousand dollars additional to the above, the money transmitters must verify the biometric data before national databases.

Money transmitters may choose to send a request for authorization or a notice to the Commission to carry out non-face-to-face transactions.

In case the money transmitter sends an authorization request to the Commission, it will be able to operate for thresholds of up to seven thousand dollars.



While in the case of the notice the money transmitter can only operate for up to five thousand dollars. However, there are 2 (two) challenges: the first, that the transmitter must use the 2 Technological Identification Mechanisms and the second, that the warning must contain the same elements as those indicated for authorization.

Therefore, to use only the Technological Identification Mechanisms of the recording, it will be necessary for the money transmitters to request authorization from the Commission and operate for up to five thousand dollars.

It will not be necessary for money transmitters to carry out the non-face-to-face identification process as long as users do not stop carrying out operations for six months or more.

In the event that users have been identified prior to this non-face-to-face process, the money transmitters, among other obligations, must authenticate the user with a category 3 authentication factor.

II. Other obligations

Geolocation should be used to determine the risk ratio of the user, as well as to verify what is indicated in the user identification process. However, in the case of the entities indicated in Annex 1 of the Provisions applicable to money transmitters, not everything related to Geolocation will be applicable.

As for the reports of unusual and internal concern, they must be sent 3 days after the day that concludes the committee that dictates you as such, that is, the modification is that now the money transmitters have to count the period of 3 days from the next business day of the day that the committee rules them as unusual operations.

A report is added for money transmitters to submit quantitative information about their operations, customers, products and services, among others, within the last 10 business days of April of each year. This information shall be sent through electronic means and the official format issued for this purpose by the Commission.

In the case of blocked persons, money transmitters shall adopt and implement mechanisms to identify third parties acting on behalf of blocked persons.

Likewise, they must include the list of blocked persons who appear on the lists published by the Tax Administration Services as “list 69-B of the Federal Tax Code”.



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The deadlines for filing with the Commission the appointment of the compliance officer and the revocation of the compliance officer or interim compliance officer are modified to be sent within ten business days thereafter.

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This document does not constitute legal advice. If you have any questions or comments regarding this matter, please contact us.

