

AML Compliance for Art Dealers

How Art Aura helps you meet EU Anti-Money Laundering Directive requirements. Client verification, risk assessment, due diligence tracking, and record keeping — all built in.

5 AMLD / 6 AMLD

EU Directive

THRESHOLD

€10,000

RECORD KEEPING

5 Years

Why this matters

Since January 2020, EU art dealers must perform due diligence on transactions of €10,000 or more. Art Aura has the tools you need to comply.

The EU Anti-Money Laundering Directives

The 5th Anti-Money Laundering Directive (5AMLD) brought art dealers under AML regulation for the first time. The 6th Directive (6AMLD) strengthened these requirements. As an art dealer, gallery, or intermediary in the EU, you must:

- Identify your customers**
Collect and verify identity for transactions ≥ €10,000
- Verify identity documents**
Check government-issued ID (passport, national ID card, driving licence)
- Establish the source of funds**
Understand where the money for the transaction comes from
- Assess risk level**
Evaluate whether the client or transaction presents higher risk
- Identify the beneficial owner**
For corporate buyers, determine the natural person with ultimate control
- Keep records for 5 years**
Maintain all documentation for at least 5 years after the relationship ends
- Report suspicious activity**
Report suspicions to your national Financial Intelligence Unit (FIU)

€10,000

Due diligence required at or above this amount

Applies to single transactions and linked transactions that together reach the threshold. Covers all payment methods.

Important

This guide explains how Art Aura helps you document compliance. It is not legal advice. Consult your national AML authority or a qualified legal advisor for your specific requirements.

Client verification

Art Aura stores all KYC (Know Your Customer) information directly with each client record. Everything stays on your device.

Adding KYC information to a client

- 1 Open the client and tap Edit**
Navigate to any client in your database and enter edit mode.
- 2 Set the risk level**
Choose Low, Medium, or High. Consider transaction size, client's country, and whether they are a known collector.
- 3 Enter source of funds**
Document where the money comes from: "Sale of property," "Employment income," "Inheritance," etc.
- 4 Upload identity document**
Tap "Add Document," choose the type (Passport, ID Card, Driver's Licence), and select the file.
- 5 Upload proof of address (optional)**
Add a utility bill or bank statement as the second KYC document.
- 6 Mark as verified**
Toggle "KYC Verified" and enter your name. Art Aura records the verification date automatically.

Risk level assessment

Low Known collectors, established galleries, repeat customers	Medium New clients, higher-value transactions, higher-risk jurisdictions	High Complex structures, unusual patterns, PEPs, high-risk countries
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Visual indicators

Verified clients show a green **KYC** badge next to their name throughout the app, including in sale records. You can see at a glance which clients have completed verification.

Business clients & beneficial owners

When a company buys art, you must identify the natural person who ultimately controls it.

Marking a client as a business

- 1 Toggle “Business Client”**
 In the client edit form, turn on the switch. Additional fields appear immediately.
- 2 Enter company details**
 Fill in the company name and registration number as listed in the official company register.
- 3 Record the beneficial owner**
 Enter the name of the natural person with ultimate ownership or control (generally >25% ownership).

<p>Company Name</p> <p>Legal name of the purchasing entity as officially registered.</p>	<p>Registration Number</p> <p>Company registration or tax ID for verification against official records.</p>	<p>Beneficial Owner</p> <p>Natural person with ultimate ownership or control. Required by 5AMLD.</p>
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Sale AML tracking

When you record a sale of €10,000 or more, Art Aura automatically shows an AML compliance section. The threshold detection is built in.

AML status badges

<p>AML Required</p>	<p>Due diligence not yet completed</p>	<p>AML Verified</p>	<p>Due diligence documented</p>
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Completing due diligence on a sale

- 1 Open the sale and tap Edit**
 The AML section appears automatically for sales ≥ €10,000.
- 2 Verify client KYC is complete**
 Check the client's KYC badge in the sale record. Green means verified.
- 3 Toggle “AML Due Diligence Completed”**
 The badge changes from orange “AML Required” to green “AML Verified.”
- 4 Add AML notes**
 Document what you checked and any observations. This creates a per-transaction record.

What to document

A complete due diligence record combines client verification with transaction-level documentation.

Customer due diligence checklist

- Customer identification**
Full name, date of birth, nationality, address — in the client record

- Identity verification**
Government-issued ID — upload via KYC document section

- Proof of address**
Utility bill or bank statement — upload as second KYC document

- Source of funds**
Where the money comes from — record in source of funds field

- Source of wealth**
How the client built their wealth — document in client notes

- Purpose of transaction**
Why the client is buying — document in sale AML notes

- Beneficial ownership**
For companies: the natural person in control — beneficial owner field

- Risk assessment**
Your risk evaluation — set via risk level picker

Where each item lives in Art Aura

Requirement	Location
Name, address, contact	Client → basic info
Government ID	Client → Edit → KYC Document (primary)
Proof of address	Client → Edit → KYC Document (secondary)
Source of funds	Client → Edit → Source of Funds
Risk level	Client → Edit → Risk Level picker
Beneficial owner	Client → Edit → Business Client → Beneficial Owner
Verification record	Client → Edit → KYC Verified + Verified By
AML due diligence	Sale → Edit → AML Due Diligence Completed
Transaction notes	Sale → Edit → AML Notes

Record keeping: 5 years

EU regulations require due diligence records for **at least 5 years** after the client relationship ends. Use Backup & Restore in Settings to create regular backups and store them securely.

A typical workflow

How a compliant sale looks from start to finish in Art Aura.

- New client enquires about an artwork**
 Create a client record. Enter name, email, phone, address. Or import from Contacts with one tap.
- Client decides to buy (≥ €10,000)**
 Before completing the sale, perform customer due diligence. Open the client record and tap Edit.
- Collect and verify identity**
 Ask for passport or ID card. Upload in KYC Document section. For companies, toggle Business Client and enter company details and beneficial owner.
- Record source of funds**
 Ask where the money comes from. Enter in Source of Funds field.
- Assess risk and verify**
 Set risk level. Toggle KYC Verified and enter your name. The client now shows a green KYC badge.
- Record the sale**
 Create sale, link artwork and client. The AML section appears automatically for ≥ €10,000.
- Complete AML on the sale**
 Toggle “AML Due Diligence Completed.” Add notes. Badge changes to green “AML Verified.”
- Generate invoice**
 Create a professional PDF invoice. KYC confirmed, AML documented, records stored securely.

Data security & privacy

How Art Aura protects KYC data

- ✓ **On-device storage.** Client data, identity documents, and AML records are stored locally. Nothing sent to external servers.
- ✓ **External storage for documents.** Large KYC documents use SwiftData external storage for performance.
- ✓ **Optional iCloud sync.** If enabled, syncs via your iCloud with Apple’s end-to-end encryption.
- ✓ **Encrypted backups.** Create backup files for your 5-year record keeping obligation.
- ✓ **No third-party access.** No analytics, no telemetry, no third-party SDKs.

National requirements

The EU directives set minimum standards, but each member state implements them differently.

Aspect	What varies by country
Registration	Some countries require art dealers to register with an AML supervisory authority
Reporting	Suspicious activity reports go to your national FIU (e.g., FIU-Nederland, Tracfin in France)
Threshold	Some countries apply a lower threshold or include all cash transactions
Enhanced due diligence	Requirements for high-risk clients and PEPs vary by jurisdiction
Record keeping	Minimum 5 years, but some jurisdictions require longer

Backup strategy for compliance

To meet the 5-year record keeping requirement:

- Create a backup after every significant sale (Settings → Backup & Restore)
- Store backup files in a secure location (encrypted drive, secure cloud storage)
- Keep backups for at least 5 years after the client relationship ends
- Test restoring a backup periodically to ensure files are intact

Legal disclaimer

Art Aura provides tools to help you document AML compliance. It does not constitute legal advice, does not verify document authenticity, and does not submit regulatory reports. You are responsible for ensuring compliance with applicable laws in your jurisdiction. Consult a qualified legal advisor for specific guidance.

Need help?

For questions about Art Aura's AML features, contact us at edvard.thorden@me.com. For legal questions about AML compliance, consult your national supervisory authority or a specialist lawyer.