

Cabinet Resolution No. (102) of 2022
Concerning the List of Administrative Penalties Concerning Acts Committed
in Violation of the Provisions of
Federal Decree-Law No. (32) of 2021 Concerning Commercial Companies

The Cabinet,

- After perusal of the UAE's constitution; and
- Federal Law No. (1) of 1972 Concerning the Competencies of Ministries and the Powers of Ministers as amended; and
- Federal Law No. (14) of 2016 Concerning the Violations and Administrative Penalties in the Federal Government; and
- Federal Decree-Law No. (26) of 2019 Concerning Public Finances; and
- Federal Decree-Law No. (32) of 2021 Concerning Commercial Companies; and
- Cabinet Resolution No. (78) of 2022 Promulgating the List of Administrative Penalties Concerning Acts Committed in Violation of the Provisions of Federal Decree-Law No. (32) of 2021 Concerning Commercial Companies; and
- Acting upon the proposal of the Minister of Finance and the approval of the Cabinet,

Hereby resolves as follows:

Article (1)

Definitions

In applying the provisions of this Resolution, the following words and expressions shall have the meanings assigned to each of them, unless the context requires otherwise:

State	: United Arab Emirates.
Ministry	: Ministry of Economy.
Minister	: Minister of Economy.
Authority	: Securities and Commodities Authority (SCA).
Competent Authority	: The local authority concerned with corporate affairs in the concerned Emirate.

Decree-Law : Federal Decree-Law No. (32) of 2021 regarding Commercial Companies.

Working Day : The official working day of the ministries, government agencies and the relevant Competent Authority.

Article (2)

Scope of Application

1. The provisions of this Resolution apply to: (i) commercial companies established in the State; (ii) foreign companies; (iii) branches of foreign companies; (iv) Representative Offices, and (v) Investment Funds that are subject to the provisions of the Decree-Law and the decisions and regulations issued in implementation thereof; and (vi) foreign companies based in the State and carries out any activity therein, or establishes a branch or Representative Office therein.
2. The provisions of this Resolution do not apply to: (i) companies exempted from the provisions of the Decree-Law; (ii) professional, civil and foreign companies; and (iii) companies operating in free zones.

Article (3)

Administrative Penalties

1. Without prejudice to any harsher penalty or procedure provided for in the Decree-Law, the Ministry or the Competent Authority, each in accordance with its competence, may impose one or more of the following administrative penalties on whoever commits any of the acts that violate the provisions of the Decree-Law and the decisions and regulations issued for its implementation contained in the Schedule attached to this Resolution according to the following gradation:
 - a. In the event of a first-time violation, a written warning notice shall be sent to the violator, and they shall be given a period not exceeding (30) thirty days that starts on the date on which the written warning notice was sent, to correct the violation.
 - b. In the event of a second-time violation, the administrative fine shall be imposed in accordance with the Schedule attached to this Resolution.

- c. In the event of a third-time violation, the administrative fine shall be doubled in accordance with the Schedule attached to this Resolution.
 - d. In the event of a fourth-time violation, the administrative fine shall be tripled in accordance with the Schedule attached to this Resolution, and the violating company shall be subjected to temporary administrative closure for a period not exceeding (6) six months. Such period is renewable for one time only.
 - e. Revocation of the licence and approval issued to the violator or those responsible for the violator, provided that the violator bears the expenses and costs of removing and treating the damage resulting from the violation in the event that such violation is not removed or treated.
2. Taking into account Clause (1) of this Article, the Ministry or the Competent Authority, each in accordance with its competence, may impose the most severe administrative penalty and not follow the gradation referred to in Clause (1) of this Article, in case of serious violations, and it is left to its discretion to estimate the appropriate administrative penalty in accordance with the nature of the violation.
3. The value of the administrative fines mentioned in the Schedule attached to this Resolution shall be collected in accordance with the mechanism determined by the Ministry of Finance after coordination with the Minister, the Chairman of the Authority, or the head of the Competent Authority.
4. The Ministry or the Competent Authority, each in accordance with its competence, may double the administrative fines for acts committed in violation of the provisions of the Decree-Law contained in the Schedule attached to this Resolution in the event of recidivism or recurrence of the violation.
5. For the purposes of collecting the value of the administrative fine mentioned in the Schedule attached to this Resolution, any part of the day is considered a full day and any part of the month is considered a full month.

Article (4)

Provisions Concerning Violations Falling within the Jurisdiction of the Authority

1. Without prejudice to any harsher penalty or procedure provided for in the Decree-Law, the Authority may impose one or more of the following administrative penalties on whoever commits any of the acts that violate the provisions of the Decree-Law and the decisions and regulations issued for its implementation that fall within its jurisdiction and contained in the Schedule attached to this Resolution according to the following gradation:
 - a. In the event of a first-time violation, a written warning notice will be sent to the violator and they will be given a period not exceeding (30) thirty days, counted from the date the written warning notice was sent, to correct the violation.
 - b. In the event of a second-time violation, the administrative fine shall be imposed in accordance with the Schedule attached to this Resolution.
 - c. In the event of a third-time violation, the administrative fine imposed for the second-time violation shall be doubled.
 - d. In the event of a fourth-time violation, the administrative fine imposed for the second-time violation shall be tripled.
 - e. Revocation or suspension of the license and approval issued to the violator or those responsible for the violator, provided that the violator bears the expenses and costs of removing and treating the damage resulting from the violation in the event that such violation is not removed or treated.
2. As an exception to Clause (1) of this Article, if the incident subject of the violation relates to formal procedures or, is subject to its discretion, the Authority may warn the violating person and instruct them to correct and avoid a recurrence of the incident in the future.
3. The Authority is allowed not to follow the gradation referred to in Clause (1) of this Article in the case of serious violations, and it shall be left to its discretion to estimate the appropriate administrative penalty in accordance with the nature of the violation.
4. The fine imposed by the Authority on the violating person must be paid within the payment deadline specified by the Authority. It may impose a daily late payment fine of

(1,000) one thousand dirhams for each day of late payment beyond the specified date, provided that the total of the delay fines does not exceed the imposed fine.

5. Without prejudice to the maximum limit of financial fines stipulated in the Decree-Law, the Authority may impose an administrative fine in an amount equal to or greater than the benefit or profits achieved by the violator, or the losses they avoided, or equal to the value of the damage incurred as a result of the violation.

The administrative penalties that fall within the competence of the Authority and are mentioned in this Resolution shall apply to the violations that occurred after its effective date, as well as the violations that occurred from the effective date of the provisions of the Decree-Law and were not decided upon by the Authority until the date on which this Resolution takes into force.

For the purposes of collecting the value of the administrative fine mentioned in this Article, any part of the day is considered a full day and any part of the month is considered a full month.

Article (5)

Grievances Against Administrative Penalties

1. The Ministry, the Authority, or the Competent Authority, each in accordance with its competence, shall notify the violating company of the decision imposing the administrative penalty [on such company] within (15) fifteen days from the date of its issuance.
2. Each person with the capacity and interest may file a grievance against the administrative penalty with the Minister, the Chairman of the Board of Directors of the Authority, the head of the Competent Authority, or whomever authorized by them, within (30) thirty days from the date of being notified of the contested decision, provided that the grievance is reasoned and accompanied by all supporting documents. The grievance shall be decided on within (30) thirty days from the date of its submission and in accordance with the procedures in force at the Ministry, the Authority or the Competent Authority.

3. The decision issued regarding such grievances shall be final. Failure to respond to a given grievance within (30) thirty days from the date of its submission shall be deemed a rejection thereof.
4. After the expiration of the period stipulated in Clause (2) of this Article, no grievance against the decision imposing the administrative penalty may be accepted.

Article (6)

Amendment of Fines

The Cabinet is responsible for making any amendments to the amount of fines contained in the Schedule attached to this Resolution, by way of addition, deletion or modification.

Article (7)

Repealing

The Cabinet Resolution No. (78) of 2022 Promulgating the Administrative Penalties Regulations regarding Acts Committed in Violation of the Provisions of Federal Decree-Law No. (32) of 2021 regarding Commercial Companies is hereby repealed. Any provision that contradicts or conflicts with the provisions of this Resolution is also hereby repealed.

Article (8)

Publication and Enforcement

This Resolution shall be published in the Official Gazette and shall come into force from the date of such publication.

Mohammed bin Rashed Al-Maktoom

Prime Minister

Issued by us:

On: 9 Rabi` al-Akhir 1444 AH

Corresponding to: 4 November 2022 AD

Schedule Attached to Cabinet Resolution No. 102 of 2022
Concerning the Administrative Penalties Regulations Concerning Acts
Committed in Violation of the Provisions of Federal Decree-Law No. (32) of
2021 Concerning Commercial Companies

A. Violations and Penalties Related to Commercial Companies:

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
1	Violation of the Rules of Governance	Article (7)	-	-	-	The fines specified by the Authority shall apply to the Company whose violation of the rules of governance is proven, provided that the financial fine does not exceed (10,000,000) ten million dirhams.

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
2	Failure to Observe the Percentage of the Contribution of the State's Citizens in Accordance with the Activities that have a Strategic Impact.	Article (10)	A fine of (50,000) fifty thousand dirhams shall be imposed on any Company that violates the provisions governing the State citizens' shareholding percentage in the companies' capital.	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Company that violates the provisions governing the State citizens' shareholding percentage in the companies' capital or the State citizens' percentage in companies' Boards of Directors.	A fine of (150,000) one hundred and fifty thousand dirhams shall be imposed on any Company that violates the provisions governing the State citizens' shareholding percentage in the companies' capital or the State citizens' percentage in companies' Boards of Directors.	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Company that violates the provisions governing the State citizens' shareholding percentage in the companies' capital or the State citizens' percentage in companies' Boards of Directors.

3	Non-Compliance of the Sharia Controller and Members of the Internal Sharia Control Committee	Article (11)	A fine of (5,000) five thousand dirhams shall be imposed on the Sharia Controller and every member of the Internal Sharia Control Committee of companies that operate in accordance with the provisions of Islamic Sharia, who fails to comply with the controls for practising their work, which are issued by a resolution of the Cabinet.	A fine of (7,000) seven thousand dirhams shall be imposed on the Sharia Controller and every member of the Internal Sharia Control Committee of companies that operate in accordance with the provisions of Islamic Sharia, who fails to comply with the controls for practising their work, which are issued by a resolution of the Cabinet.	A fine of (10,000) ten thousand dirhams shall be imposed on the Sharia Controller and every member of the Internal Sharia Control Committee of companies that operate in accordance with the provisions of Islamic Sharia, who fails to comply with the controls for practising their work, which are issued by a resolution of the Cabinet.	A fine of (50,000) fifty thousand dirhams shall be imposed on the Sharia Controller and every member of the Internal Sharia Control Committee of companies that operate in accordance with the provisions of Islamic Sharia, who fails to comply with the controls for practising their work, which are issued by a resolution of the Cabinet.
4	Non-Compliance with the Decision to Change the	Article (12)	A fine of (500) five hundred dirhams per month shall be imposed on any	A fine of (500) five hundred dirhams per month shall be imposed on any	A fine of (1000) one thousand dirhams per month shall be imposed on any	A fine of (1000) one thousand dirhams per month shall be imposed on any

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	Company's Trade Name		Company that fails to comply with the decision to change the Company's trade name. This fine shall begin to be calculated after the lapse of a period of (30) thirty Working Days from the date of notification of the decision, provided that the total of such fines does not exceed (5,000) five thousand dirhams annually.	Company that fails to comply with the decision to change the Company's trade name. This fine shall begin to be calculated after the lapse of a period of (30) thirty Working Days from the date of notification of the decision, provided that the total of such fines does not exceed (5,000) five thousand dirhams annually.	Company that fails to comply with the decision to change the Company's trade name. This fine shall begin to be calculated after the lapse of a period of (30) thirty Working Days from the date of notification of the decision, provided that the total of such fines does not exceed (10,000) ten thousand	Company that fails to comply with the decision to change the Company's trade name. This fine shall begin to be calculated after the lapse of a period of (30) thirty Working Days from the date of notification of the decision, provided that the total of such fines does not exceed (10,000) ten thousand

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
					dirhams annually.	dirhams annually.
5	Failure to Keep Accounting Registers	Article (26)	A fine of (10,000) ten thousand dirhams shall be imposed on any Company that fails to keep its Accounting Registers showing its transactions.	A fine of (15,000) fifteen thousand dirhams shall be imposed on any Company that fails to keep its Accounting Registers showing its transactions.	A fine of (20,000) twenty thousand dirhams shall be imposed on any Company that fails to keep its Accounting Registers showing its transactions.	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Company that fails to keep its Accounting Registers showing its transactions.
6	Publication of the Invitation for Public Subscription, without the Approval of the Authority, in any Shares, Bonds, or any	Article (32)	-	-	-	A fine ranging from (500,000) five hundred thousand dirhams to (10,000,000) ten million dirhams shall be imposed on

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	Other Securities, Regardless the Means of Publication: in Daily Newspapers, Magazines, or in any Public Advertising Medium in the State					any natural or legal person proved to have committed the said violation, in accordance with the circumstances and conditions of the incident.
7	Company's Data and Documents & Stakeholders' Access Denial	Article (44) And Article (100) And Article (144)	A company that fails to keep the following data and documents shall be fined an amount of (1,000) one thousand dirhams: 1. A record containing the names and	A fine of (5,000) five thousand dirhams shall be imposed on any Company that refuses to let the Shareholder have access to the minutes of the meetings of	A fine of (10,000) ten thousand dirhams shall be imposed on any Company that refuses to let the Shareholder have access to the minutes of the meetings of	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Company that refuses to let the Shareholder have access to the minutes of

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
			<p>addresses of the Shareholders.</p> <p>2. A copy of the Company's Memorandum of Association and any amendments thereto.</p> <p>3. A statement of the monetary amounts and the nature and value of any assets contributed by each Shareholder and the dates of the contributions.</p> <p>4. Any other data,</p>	<p>the Company's General Assembly, books and documents, or any documents or papers related to a deal that the Company concluded with one of the Stakeholders.</p>	<p>the Company's General Assembly, books and documents, or any documents or papers related to a deal that the Company concluded with one of the Stakeholders or any Company that fails to publish a copy of its Memorandum of Association and Articles of Association on its website.</p>	<p>the meetings of the Company's General Assembly, books and documents, or any documents or papers related to a deal that the Company concluded with one of the Stakeholders or any Company that fails to publish a copy of its Memorandum of Association and Articles of Association on its website.</p>

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			documents or records imposed by the provisions of the Decree-Law and its implementing decisions.			
8	Failure To Invite a Director or a Member of the Board of Directors to the Board's Meetings	Article (104) And Article (156)	-	A fine of (3000) three thousand dirhams shall be imposed on any Director, Chairman of the Board of Directors, or their representative in the Company who fails to invite a Member of the Board of Directors to the	A fine of (8000) eight thousand dirhams shall be imposed on any Director, Chairman of the Board of Directors, or their representative who fails to invite a Member of the Board of Directors to the	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Director, Chairman of the Board of Directors, or their representative who fails to invite a Member of the Board of

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
				Board's meetings.	Board's meetings.	Directors to the Board's meetings.
9	Company's Founders Subscribe to the Shares Offered for Public Subscription	Article (117)	-	-	-	A fine of (500,000) five hundred thousand dirhams shall be imposed on every [Company's] Founder who subscribes to Shares offered for Public Subscription.
10	Receiving Public Subscription Without the Approval of the Authority	Article (122)	-	-	-	Every entity or company that receives Subscription funds in Shares, Bonds or any other securities, in accordance

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						with the conditions and circumstances of the incident, shall be fined an amount ranging from (500,000) five hundred thousand dirhams to (10,000,000) ten million dirhams.
11	Delay in Allocating the Shares to the Subscribers Within the Specified Period (5 Working Days from the Closing of the	Article (126)	-	-	-	A fine of (500,000) five hundred thousand dirhams shall be imposed on the entity that fails to allocate Shares to Subscribers

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	Subscription) or Delay in Refunding the Amounts in Excess of the Subscription and the Accrued Returns to the Subscribers within (5) Working Days from the Date of Allocating the Shares					within the specified period or fails to refund the surplus amounts and returns accrued therefrom within the specified period.
12	Failure of the Company's Board of Directors, within (10) ten Working Days from the Date of the Constituent	Article (133)	-	-	A fine of (20,000) twenty thousand dirhams shall be imposed on any Company whose Board of Directors,	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Company whose Board of Directors,

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	General Assembly Meeting, to Submit an Application to the Ministry or the Authority Accompanied with Supporting Documents to Issue a Certificate of Incorporation of the Company				within (10) ten Working Days from the date of the Constituent General Assembly meeting, fails to submit an application to the Ministry accompanied with supporting documents to issue a Certificate of Incorporation of the Company.	within (10) ten Working Days from the date of the Constituent General Assembly meeting, fails to submit an application to the Authority accompanied with supporting documents to issue a Certificate of Incorporation of the Company.
13	Failure of the Company's Board of Directors, within (10) ten Working Days	Article (135)	-	-	A fine of (20,000) twenty thousand dirhams shall be imposed on	A fine of (100,000) one hundred thousand dirhams shall be imposed on

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	from the Date the Ministry or Authority Issues the Company's Certificate of Incorporation, to Take Measures to Register it with the Competent Authority				any Company whose Board of Directors fails, within (10) ten Working Days from the date the Ministry issues the Company's Certificate of Incorporation, to take measures to register it with the Competent Authority.	any Company whose Board of Directors fails, within (10) ten Working Days from the date the Authority issues the Company's Certificate of Incorporation, to take measures to register it with the Competent Authority.
14	Company's Failure to List Itself in a Financial Market	Article (137)	-	-	-	A fine of (2000) two thousand dirhams per day shall be imposed on any Company that fails to list itself in one of the

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						Financial Market licensed in the State. The calculation of this fine begins for each day of delay after the lapse of the specified period for listing.
15	Violation of the Authority's Regulations Governing the Company's keeping of its Shareholders' Register	Article (141)	-	-	-	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Company proved to have violated the regulations governing the Company's keeping of its

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
						Shareholders' Register.
16	Violation of the Provisions Relating to the Formation of Boards of Directors	Article (143) AND Article (144)	-	-	A fine of (10,000) ten thousand dirhams shall be imposed on any Company proved to have violated the provisions relating to the formation of Boards of Directors.	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Company proved to have violated the provisions relating to the formation Boards of Directors.
17	Failure to Comply with the Prescribed Procedures When the Position of a Member of the Board of	Article (145)	-	-	A fine of (10,000) ten thousand dirhams shall be imposed on any Company that fails to comply with	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Company that fails to

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	Directors Becomes Vacant				the prescribed procedures when the position of a Member of the Board of Directors becomes vacant.	comply with the prescribed procedures when the position of a Member of the Board of Directors becomes vacant.
18	Violation of the Procedures for Nomination to the Membership of Boards of Directors	Article (147)	-	-	A fine of (10,000) ten thousand dirhams shall be imposed on any Company proved to have violated the procedures for nomination for membership of Boards of Directors.	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Company proved to have violated the procedures for nomination for membership of Boards of Directors.

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19	Being a Member of the Boards of Directors of More than Five Joint-Stock Companies Based in the State	Article (149)			Shall be fined an amount of (5,000) five thousand dirhams any Member of the Board of Directors of a Company who exceeds the maximum limit prescribed for the number of memberships of the Boards of Directors of Joint-stock Companies based in the State.	Shall be fined an amount of (10,000) ten thousand dirhams any Member of the Board of Directors of a Company who exceeds the maximum limit prescribed for the number of memberships of the Boards of Directors of Joint-stock Companies based in the State.
20	Same person Occupying More Than Two Positions	Article (149)	-	-	Shall be fined an amount of (10,000) ten thousand	Shall be fined an amount of (100,000) one hundred

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	of Chairman or Vice-Chairman of the Board of Directors of Two Joint-Stock Companies Based in the State				dirhams any Member of the Board of Directors of a Company proved to have exceeded the specified number of occupying the positions of Chairman or Vice-Chairman of the Board of Directors of a Joint-stock Company based in the State.	thousand dirhams any Member of the Board of Directors of a Company proved to have exceeded the specified number of occupying the positions of Chairman or Vice-Chairman of the Board of Directors of a Joint-stock Company based in the State.
21	Being a Managing Director of More than a	Article (149)	-	-	Shall be fined an amount of (10,000) ten thousand	Shall be fined an amount of (100,000) one hundred

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	Company Based in the State				dirhams any Managing Director proved to have occupied more than one position as a Managing Director in a Joint-stock Company based in the State.	thousand dirhams any Managing Director proved to have occupied more than one position as a Managing Director in a Joint-stock Company based in the State.
22	Board Member's Failure to Report an Incident of Conflict of Interest	Article (150)			Shall be fined an amount of (50,000) fifty thousand dirhams any Member of the Board of Directors of the Company who fails to report	Shall be fined an amount of (200,000) two hundred thousand dirhams any Member of the Board of Directors of the Company who

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					an incident of conflict of interest.	fails to report an incident of conflict of interest.
23	Failure to Comply with the Prescribed Procedures Regarding the Prohibited Dispositions of Stakeholders	Article (152)	-	-	Shall be fined an amount of (50,000) fifty thousand dirhams any Stakeholder proved to have failed to comply with the prescribed procedures regarding prohibited dispositions of Stakeholders.	Shall be fined an amount of (200,000) two hundred thousand dirhams any Stakeholder proved to have failed to comply with the prescribed procedures regarding prohibited dispositions of Stakeholders.
24	Company's Board of Directors	Article (154)	-	-	A fine of (10,000) ten thousand dirhams shall	A fine of (100,000) one hundred thousand

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	Abuses its Powers				be imposed on any Chairman or Member of the Board of Directors of the Company proved to have abused their powers.	dirhams shall be imposed on any Chairman or Member of the Board of Directors of the Company proved to have abused their powers.
25	Chairman of the Board of Directors' Absolute Delegation of Their Competencies to Any Other Member of the Board of Directors	Article (155)	-	-	A fine of (50,000) fifty thousand dirhams shall be imposed on any Chairman of the Board of Directors of the Company who has absolutely delegated all their competencies to any other	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Chairman of the Board of Directors of the Company who has absolutely delegated all their competencies

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
					Member of the Board of Directors.	to any other Member of the Board of Directors.
26	Board of Directors' Absolute Delegation of its Competencies to the Chairman of the Board	Article (155)	-	-	A fine of (50,000) fifty thousand dirhams shall be imposed on any Member of the Board of Directors proved to have absolutely delegated all the competencies of the Board of Directors to the Chairman of the Board of Directors of the Company.	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Member of the Board of Directors proved to have absolutely delegated all the competencies of the Board of Directors to the Chairman of the Board of Directors of the Company.

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27	Failure to Comply with the Controls Governing Deputizing a Member of the Board of Directors in Board Meetings	Article (160)	-	-	A fine of (5,000) five thousand dirhams shall be imposed on any Chairman or Member of the Board of Directors of a Company proved to have failed to comply with the stipulated controls governing deputizing a Board Member to the Board's meetings.	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Chairman or Member of the Board of Directors of the Company proved to have failed to comply with the stipulated controls governing deputizing a Board Member to the Board' meetings.
28	Failure to Call the Annual General	Article (173)	-	A fine of (5,000) five thousand	A fine of (30,000) thirty thousand	A fine of (200,000) two hundred

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	Assembly to Convene			dirhams shall be imposed on any Director or Chairman of the Board of Directors, or their representative in the Company, who fails to invite the Annual General Assembly of the Company to convene within the period specified in the Decree-Law, or if they invite the Annual General Assembly of the Company to	dirhams shall be imposed on any Chairman of the Board of Directors, or their representative, who fails to invite the Annual General Assembly of the Company to convene within the period specified in the Decree-Law, or if they invite the Annual General Assembly of the Company to convene before obtaining the	thousand dirhams shall be imposed on any Chairman of the Board of Directors or Member thereof who fails to invite the Annual General Assembly of the Company to convene within the period specified in the Decree-Law, or if they invite the Annual General Assembly of the Company to convene before obtaining the

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
				convene before obtaining the approval of the Competent Authority.	approval of the Ministry.	approval of the Authority.
29	Failure to Comply with the Conditions and Controls Governing Serving the Invitation to the General Assembly Meeting	Article (174)	-	-	A fine of (10,000) ten thousand dirhams shall be imposed on any Company that fails to comply with the conditions and controls governing serving the invitation to the General Assembly Meeting.	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Company that fails to comply with the conditions and controls governing serving the invitation to the General Assembly Meeting.
30	Failure to Invite the	Article (178)	-	A fine of (10,000) ten	A fine of (50,000) fifty	A fine of (200,000) two

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	General Assembly to Convene at the Request of the Authority, the Ministry or the Competent Authority			thousand dirhams shall be imposed on any Company Director, or Chairman of the Board of Directors, or their representative, who fails to invite the General Assembly to convene after receiving a request to do so from the Competent Authority.	thousand dirhams shall be imposed on any Chairman of the Board of Directors, or their representative, who fails to invite the General Assembly to convene after receiving a request to do so from the Ministry.	hundred thousand dirhams shall be imposed on the any Chairman of the Board of Directors, or their representative, who fails to invite the General Assembly to convene after receiving a request to do so from the Authority.
31	Specified Data in Accordance with the Provisions of	Article (189)	-	-	A fine of (5,000) five thousand dirhams shall	A fine of (50,000) fifty thousand dirhams shall

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	the Decree-Law Not Included in the Minutes of the General Assembly Meeting				be imposed on any Company that fails to include the legally specified data in the minutes of the meeting of its General Assembly.	be imposed on any Company that fails to include the legally specified data in the minutes of the meeting of its General Assembly.
32	Failure to Implement the General Assembly's Resolutions	Article (191)	-	-	A fine of (10,000) ten thousand dirhams shall be imposed on any Chairman of Board of Directors of a Company proved to have failed to implement the resolutions of the General	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Chairman of Board of Directors of a Company proved to have failed to implement the resolutions of

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
					Assembly of the said Company.	the General Assembly of the said Company.
33	Disposing of Stocks or Shares in Violation of the Provisions of the Decree-Law	Article (211)	Shall be fined an amount of (10,000) ten thousand dirhams, whoever disposes of Stocks in contravention of the rules set forth in the Decree-Law.	Shall be fined an amount of (20,000) twenty thousand dirhams, whoever disposes of Stocks in contravention of the rules set forth in the Decree-Law.	Shall be fined an amount of (50,000) fifty thousand dirhams, whoever disposes of Shares in contravention of the rules set forth in the Decree-Law.	Shall be fined an amount of (200,000) two hundred thousand dirhams, whoever disposes of Shares in contravention of the rules set forth in the Decree-Law.
34	Breach of the Rules Relating to the Company's Purchase of its Own Shares (Treasury Shares)	Article (221)	-	-	A fine of (20,000) twenty thousand dirhams shall be imposed on any Company that violates	A fine of (500,000) five hundred thousand dirhams shall be imposed on any Company that violates

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
					one of the rules related to the Company's purchase of its own Shares (Treasury Shares).	one of the rules related to the Company's purchase of its own Shares (Treasury Shares).
35	Company or Any of its Subsidiaries Provides Material Assistance to Any Person to Enable Such Person to Own Any Securities Issued by the Company	Article (224)	-	-	A fine of (15,000) fifteen thousand dirhams shall be imposed on any Company or any of its subsidiaries proved to have provided material assistance to any person to enable such person to own any securities	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Company or any of its subsidiaries proved to have provided material assistance to any person to enable such person to own any securities

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
					issued by the Company.	issued by the Company.
36	Violation of Prescribed Share Certificates Obligations	Article (229)	-	-	-	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Company that breaches the obligations prescribed in respect of Share Certificates.
37	Breach of Rules of Issuance of Bonds or Sukuk	Articles from (231) to (236)	-	-	A fine of (50,000) fifty thousand dirhams shall be imposed on any Company that violates one of the rules of the issuance	A fine of (200,000) two hundred thousand dirhams shall be imposed on any Company that violates one of the rules of the issuance

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
					of Bonds or Sukuk.	of Bonds or Sukuk.
38	Violation of Rules of Preparation of Financial Year Accounts	Article (237)	-	-	A fine of (50,000) fifty thousand dirhams shall be imposed on any Chairman or Member of the Board of Directors of a Company proved to have violated the rules of the preparation of the Financial Year Accounts. The same fine shall be imposed on the Auditor if they approve such accounts.	A fine of (100,000) one hundred thousand dirhams shall be imposed on any Chairman or Member of the Board of Directors of a Company proved to have violated the rules of the preparation of the Financial Year Accounts.

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
39	Nomination or Commission of an Auditor Not Accredited by the Ministry or the Authority	Article (245)	-	-	A fine of (50,000) fifty thousand dirhams shall be imposed on: - Any Chairman or Members of the Board of Directors of a Company proved to have nominated or commissioned an unaccredited Auditor. - The unaccredited Auditor who has been nominated or commissioned.	A fine of (200,000) two hundred thousand dirhams shall be imposed on: - Any Chairman or Members of the Board of Directors of a Company proved to have nominated or commissioned an unaccredited Auditor. - The unaccredited Auditor who has been nominated or commissioned.
40	Violation of Rules of	Articles from	-	-	A fine of (100,000) one	A fine of (500,000) five

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	Company Division	(294) to (298)			hundred thousand dirhams shall be imposed on any Company proved to have violated any of the provisions contained in the rules of the division of the Company, in addition to the procedures decided by the Ministry in accordance with the decisions issued in this regard.	hundred thousand dirhams shall be imposed on any Company proved to have violated any of the provisions contained in the rules of the division of the Company, in addition to the procedures decided by the Authority in accordance with the decisions issued in this regard.
41	Violation of Acquisition	Articles from	-	-	A fine of (100,000) one hundred	A fine of (500,000) five hundred

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	Rules and Procedures	(299) to (301)			thousand dirhams shall be imposed on the person who violates any of the provisions contained in the acquisition rules and procedures, in addition to the procedures laid down by the Ministry or the Authority in accordance with the decisions issued in this regard.	thousand dirhams shall be imposed on the person who violates any of the provisions contained in the acquisition rules and procedures, in addition to the procedures laid down by the Authority in accordance with the decisions issued in this regard.
42	Failure to Invite the General Assembly to	Article (308)	-	A fine of (50,000) fifty thousand dirhams shall	A fine of (100,000) one hundred thousand	A fine of (200,000) two hundred thousand

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	Convene in the Case of Losses	And Article (309)		be imposed on the Director or Chairman of the Board of Directors, or their representative in the Company, if its losses amount to half of its capital and they fail to invite its General Assembly to convene in accordance with the provisions of the Decree-Law.	dirhams shall be imposed on any Chairman of the Board of Directors, or their representative, if its losses amount to half of its capital and they fail to invite its General Assembly to convene in accordance with the provisions of the Decree-Law.	dirhams shall be imposed on any Chairman of the Board of Directors, or their representative, if its losses amount to half of its capital and they fail to invite its General Assembly to convene in accordance with the provisions of the Decree-Law.
43	Refusal to Assist Inspectors	Article (343)	A fine of (5,000) five thousand	A fine of (5,000) five thousand	A fine of (10,000) ten thousand	A fine of (200,000) two hundred

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
			dirhams shall be imposed on the Director of the Company, or their representative, or the employee of the Company, or the Auditor who refuses to provide information to the Authority's inspectors to carry out their duties, or conceals information or clarifications from them, or provides them with misleading information.	dirhams shall be imposed on the Director or Chairman of the Board of Directors of the Company, or their representative, or the employee of the Company, or the Auditor who refuses to provide information to the Authority's inspectors to carry out their duties, or conceals information or clarifications from them, or	dirhams shall be imposed on any Member or Chairman of the Board of Directors of the Company, or the Managing Director or General Manager, or the employee of the Company, or the Auditor who refuses to provide information to the Authority's inspectors to carry out their duties, or conceals information or clarifications	thousand dirhams shall be imposed on any Member or Chairman of the Board of Directors of the Company, or the Managing Director or General Manager, or the employee of the Company who refuses to provide information to the Authority's inspectors to carry out their duties, or conceals information or clarifications

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
				provides them with misleading information.	from them, or provides them with misleading information.	from them, or provides them with misleading information.
44	Delayed Adjustment of Status	Article (359)	Shall be fined an amount of (500) five hundred dirhams per month any Company that fails to amend its Memorandum of Association to comply with the provisions of the Decree-Law. This fine shall begin to be calculated after the lapse of a period of year from the	Shall be fined an amount of (1000) one thousand dirhams per month any Company that fails to amend its Memorandum of Association to comply with the provisions of the Decree-Law. This fine shall begin to be calculated after the lapse of a period of year from the	Shall be fined an amount of (1,500) one thousand and five hundred dirhams per month any Company that fails to amend its Memorandum of Association to comply with the provisions of the Decree-Law. This fine shall begin to be calculated	Shall be fined an amount of (2,000) two thousand dirhams per month any Company that fails to amend its Memorandum of Association and Articles of Association to comply with the provisions of the Decree-Law. This fine shall begin to be calculated after the lapse

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
			date on which the Decree-Law entered into force, provided that the total of such fines does not exceed (5,000) five thousand dirhams annually.	date on which the Decree-Law entered into force, provided that the total of such fines does not exceed (10,000) ten thousand dirhams annually.	after the lapse of a period of year from the date on which the Decree-Law entered into force, provided that the total of such fines does not exceed (15,000) fifteen thousand dirhams annually.	of a period of year from the date on which the Decree-Law entered into force, provided that the total of such fines does not exceed (20,000) twenty thousand dirhams annually.
45	Violation of the Provisions of the Decree-Law and the Decisions Implementing it, for Which No Administrative Penalty was	-	Shall be fined an amount of (10,000) ten thousand dirhams whoever violates any provision of the Decree-Law for acts and other	Shall be fined an amount of (10,000) ten thousand dirhams whoever violates any provision of the Decree-Law for acts and other	Shall be fined an amount of (15,000) fifteen thousand dirhams whoever violates any provision of the Decree-Law for acts and other	Shall be fined an amount not less than (1,000) one thousand dirhams but not exceeding (500,000) five hundred thousand

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
	Specified in this Resolution		violations not previously specified in this Schedule and committed in violation of the provisions of Federal Decree-Law No. (32) of 2021 regarding Commercial Companies or the provisions of rules, regulations, or decisions issued in implementation thereof.	violations not previously specified in this Schedule and committed in violation of the provisions of Federal Decree-Law No. (32) of 2021 regarding Commercial Companies or the provisions of rules, regulations, or decisions issued in implementation thereof.	violations not previously specified in this Schedule and committed in violation of the provisions of Federal Decree-Law No. (32) of 2021 regarding Commercial Companies or the provisions of rules, regulations, or decisions issued in implementation thereof.	dirhams whoever violates any provision of the Decree-Law for acts and other violations not previously specified in this Schedule and committed in violation of the provisions of Federal Decree-Law No. (32) of 2021 regarding Commercial Companies or the provisions of rules, regulations, or decisions issued in

SN	Violation	Legal Reference	Administrative Penalties for Partnership & Simple Partnership Companies	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
						implementation thereof.

B- Violations Related to Investment Funds

SN	Violation	Legal Reference	Administrative Penalties
1	Violation of the Rules, Decisions and Circulars Regulating Investment Funds Issued by the Authority	Article (273)	A fine ranging from (20,000) twenty thousand dirhams to (10,000,000) ten million dirhams shall be imposed on anyone whose violation is proven, in addition to the procedures decided by the Authority in accordance with the decisions issued in this regard.
2	Failure to Renew the Investment Fund Licence		The Fund Manager and the Board of Directors of the self-managed fund shall each be penalized with a delay fine of (500) five hundred dirhams for each month of delay in renewing the Investment Fund licence.

C- Violations Related to the Auditors of Joint-stock Companies

Violation	Legal Reference	Administrative Penalties
Violation of the Provisions of the Decree-Law and the Rules and Decisions Regulating the Affairs of the Auditors of Private Joint Stock Companies and the Mechanism of their Practice of their Profession	Articles (153), (173), (177), (187), (189), (237), (238), (244); Articles from (245) to (252); And Articles (254), (340) and (343)	A fine of (200,000) two hundred thousand dirhams shall be imposed on the Auditing Company that violates any of the provisions of the Decree-Law and the rules, decisions and circulars regulating the Affairs of the Auditors of Private Joint Stock Companies and the Mechanism for their Practice of their Profession.

D- Violations Related to the Secretariat of the Share Register

Violation	Legal Reference	Administrative Penalties
Violation of the Rules and Decisions Regulating the Work of the Secretariat of the Shareholders' Share Register in Private Joint-Stock Companies	Article (262)	A fine of (100,000) one hundred thousand dirhams shall be imposed on the Registrar of the Shareholders' Share Register in Private Shareholding Companies proved to have violated any of the rules and decisions regulating the work of the Shareholders' Share Register Secretariat in Private Shareholding Companies.

E- Violations Related to Foreign Companies

Violation	Legal Reference	Administrative Penalty
Failure to Register and License Foreign Companies	Article (336) And Article (338)	Shall be fined an amount of (100,000) one hundred thousand dirhams any foreign company or its office or branch in the State if it fails to register itself with the Registrar and obtain a licence from the Competent Authority, or if it fails to submit, on an annual basis, a copy of the Balance Sheet and Final Accounts with the Auditor's Report and a copy of the Final Accounts of its Holding Company, if any, to the Authority, the Competent Authority and the Ministry.

F- Violations Related to Representative Offices

Violation	Legal Reference	Administrative Penalty
Representative Office's Practising a Commercial Activity	Article (339)	A fine of (50,000) fifty thousand dirhams shall be imposed on the foreign Company's Representative Office in the State if such Representative Office conducts a commercial activity in the State.

G- Violations Related to Other Persons

Violation	Legal Reference	Administrative Penalty
Violation by Other Persons of the Provisions of the Decree-Law and the Decisions Implementing it, for Which No Administrative Penalty was Specified in this Resolution	-	Any person who commits a violation of any of the provisions of the Decree-Law and the decisions implementing it for which no administrative penalty was specified in this Resolution shall be fined an amount of not less than (1,000) one thousand dirhams but not exceeding (500,000) five hundred thousand dirhams.