Cabinet Resolution No. (132) of 2023 Concerning the Administrative Penalties Imposed on Violators of the Provisions of Cabinet Resolution No. (109) of 2023 Concerning the Regulation of Real Beneficiary Procedures

The Cabinet,

- Having reviewed the Constitution; and
- Cabinet Resolution No. (109) of 2023, Concerning the Regulation of Real Beneficiary
 Procedures; and
- Cabinet Resolution No. (53) of 2021, Concerning Administrative Penalties Imposed on Violators of the Provisions of Cabinet Resolution No. (58) of 2020 Concerning Regulating Real Beneficiary procedures; and
- Based on the proposal submitted by the Minister of Economy, the Minister of Finance and approval of the Cabinet,

It is hereby resolved:

Article (1)

Definitions

In application of the provisions of this Resolution, the words and expressions set forth herein shall bear the meanings ascribed to them, unless the context otherwise requires:

State : United Arab Emirates.

Ministry : Ministry of Economy.

Minister : Minister of Economy.

Decree-Law : Federal Decree-Law No. (20) of 2018 Concerning Combating

Money Laundering and the Financing of Terrorism and Illegal

Organisations, as amended.

Executive : Cabinet Resolution No. (10) of 2019 concerning the Executive

Regulations Regulations of Federal Decree-Law No. (20) of 2018 Concerning

Combating Money Laundering and the Financing of Terrorism and

Illegal Organisations, as amended.

Registrar : The Competent Authority supervising the Register of commercial

names of different establishments Registered in the State.

Concerned : Competent Government Authorities implementing any of the

Authorities provisions of the Law by Decree and the Executive Regulations.

Real: The Natural person to whom ultimate ownership is transferred or

Beneficiary who exercises ultimate control over the Legal Person directly or

through a chain of ownership or control, or other indirect means. It

also means the natural person on whose behalf transactions are

conducted or who exercises ultimate effective control over a Legal

Person, as specified in accordance with the text of Article (5) Cabinet

Resolution No. (109) of 2023 referred to.

Board : Any Natural Person acts pursuant to the directions, instructions, or

Nominee will of another person, who shall be officially appointed or holds a

position in Legal Person and is usually a representative of

Shareholders, members, or any other interested party.

Senior : Power of Legal Person in Decision-Making.

Management

Member

Beneficiary: Private Real Beneficiary Register of Legal Person that includes all

Register their real data.

Partners or : Private Partners or Shareholders Register of Legal Person that

Shareholders includes all their information.

Written Notice: Official Notice sent to the Legal Person or their representative by

legally available means.

Article (2)

Scope of Application

The provisions of this resolution shall apply to Legal Persons licensed or Registered in the State, including non-financial free zones, that Violate the provisions of Cabinet Resolution No. (109) of 2023 referred to.

Article (3)

Administrative Penalties

- 1. Without prejudice to any penalty or procedure stipulated by the Law by Decree and other relevant legislation, the Registrar has the right to impose Administrative Penalties resulting from Violators of the provisions of Cabinet Resolution No. (109) of 2023 referred to, and in accordance with the Violations and penalties mentioned in the table attached to this resolution.
- 2. In addition to the penalty of the fine imposed on Violations committed for the third time mentioned in the table attached to this decision, the Registrar has the right to suspend the commercial licence and close the commercial store of the Violating Legal Person, provided that this suspension is removed after he pays the Violation fine and corrects it by fulfilling the necessary requirements regarding the Violation.

Article (4)

Fines Amendment

The Cabinet has the power to make any amendments to the fees mentioned herein, whether by addition, deletion or amendment.

Article (5)

Shares of the Federal Government and the Governments of the Emirates from the Proceeds of Revenues from Administrative Penalties

The Cabinet shall issue a decision determining the proportions of sharing the proceeds of Administrative Penalties in this resolution between the Federal Government and the Governments of the Emirates based on the proposal of the Minister of Finance in coordination with the Minister and the Registrar.

Article (6)

Final Provisions

 Fines stipulated in this Resolution shall be collected through the methods decided by the Ministry of Finance. 2. For fulfilling the Administrative Penalties specified in accordance with this Resolution,

part of the day is considered a full day, and part of the month is considered a full month.

Article (7)

Executive Resolutions

The Minister, in coordination with the Registrar, shall issue the Resolutions necessary to apply

the provisions of this Resolution.

Article (8)

Repeals

The Cabinet Resolution No. (53) of 2021 concerning Administrative Penalties imposed on

Violators of the provisions of Cabinet Resolution No. (58) of 2020 concerning Regulating Real

Beneficiary procedures, shall be repealed. Any provision that Violates or conflicts with the

provisions of this resolution shall also be repealed.

Article (9)

Publication and Entry into Force

This Resolution shall be published in the Official Gazette and shall enter into force as of the

day following its publication date.

Mohammed Bin Rashid Al Maktoum

Prime Minister

Issued by Us:

On: 02 Jumada II 1445 A.H.

Corresponding to: 15 December 2023 AD

Cabinet Resolution of 2023 Concerning the Administrative Penalties imposed on Violators of the provisions of Cabinet

Table Attached to Cabinet Resolution No. (132) of 2023 Concerning the Administrative Penalties imposed on Violators of the provisions of Cabinet Resolution No. (109) of 2023

Concerning the Regulation of Real Beneficiary Procedures

		Legal Ref.	The Two	Administrative I	Penalties
SN	Violation	Cabinet Resolution No. (109) of 2023	First Time	Second Time	Third Time
1	The Legal	Article (6)	A Written	(20,000)	(40,000) forty
	Person fails	and (7)	Notice to the	twenty	thousand AED,
	to correctly		Legal Person to	thousand AED	along with
	Register the		comply within	and a Notice to	notifying the
	Real		(15) fifteen	the Legal	Legal Person to
	Beneficiary		days from the	Person to	correct the
	details of the		date of the	correct the	Violation.
	Real		Notice. 132.	Violation	
	Beneficiary.			within (15)	
				fifteen days	
				from the date of	
				the Notice to	
				the Violator.	
2	Fail to	Article (8)	A Written	(20,000)	(40,000) forty
	include the		Notice to the	twenty	thousand AED,
	data		Legal Person to	thousand AED	along with
	contained in		comply within	and a Notice to	notifying the
	Clause (2) of		(15) fifteen	the Legal	Legal Person to
	Article (8) of		days from the	Person to	correct the
	Cabinet		date of the	correct the	Violation.
	Resolution		Notice.	Violation	

No. (109) of		within (15)	
2023		fifteen days	
referred to in		from the date of	
the Real		the Notice to	
Beneficiary		the Violator.	
Register.			

Cont. Table Attached to Cabinet Resolution No. (132) of 2023 Concerning the Administrative Penalties Imposed on Violators of the Provisions of Cabinet Resolution No. (109) of 2023

Concerning the Regulation of Real Beneficiary Procedures

		Legal Ref.	The Two	Administrative F	Penalties
SN	Violation	Cabinet Resolution No. (109) of 2023	First Time	Second Time	Third Time
3	The Legal	Article (8/1)	A Written	(50,000) fifty	(100,000) one
	Person does		Notice to the	thousand AED	hundred
	not comply		Legal Person to	and a Notice to	thousand AED,
	with		comply within	the Legal Person	along with
	creating a		(30) fifteen	to correct the	notifying the
	Real		days from the	Violation within	Legal Person to
	Beneficiary		date of the	(30) thirty days	correct the
	Register and		Notice.	from the date of	Violation.
	maintain its			the Violation.	
	data.				
4	The Legal	Article (8/1)	A Written	(15,000) fifteen	(30,000) thirty
	Person does		Notice to the	thousand AED	thousand AED,
	not comply		Legal Person to	and a Notice to	along with
	with		comply within	the Legal Person	notifying the
	updating a		(15) fifteen	to correct the	Legal Person to
	Real		days from the	Violation within	correct the
	Beneficiary		date of the	(15) fifteen days	Violation.
	Register.		Notice.	from the date of	
				the Violation.	

Cont. Table Attached to Cabinet Resolution No. (132) of 2023 Concerning the Administrative Penalties Imposed on Violators of the Provisions of Cabinet Resolution No. (109) of 2023

Concerning the Regulation of Real Beneficiary Procedures

		Legal Ref.	The Two	o Administrative P	enalties
SN	Violation	Cabinet Resolution No. (109) of 2023	First Time	Second Time	Third Time
5	The Legal	Article (10)	A Written Notice	(40,000) forty	(80,000) eighty
	Person does not		to the Legal	thousand AED	thousand AED,
	comply with		Person to	and a Notice to	along with
	providing the		comply within	the Legal Person	notifying the
	data referred to		(30) thirty days	to correct the	Legal Person to
	in Article (10) of		from the date of	Violation within	correct the
	the		the Notice.	(15) fifteen days	Violation.
	aforementioned			from the date of	
	Cabinet			the Notice to the	
	Resolution No.			Violator.	
	(109) of 2023				
	related to the				
	data of the				
	Director or				
	Board Nominee				
	Member to the				
	Registrar.				
6	The Legal	Article (10)	_	(50,000) fifty	(100,000) one
	Person fails to			thousand AED	hundred
	create a Partners			and a Notice to	thousand AED,
	or Shareholders			the Legal Person	along with
	Register.			to correct the	notifying the

		Violation within	Legal Person to
		(30) thirty days	correct the
		from the date of	Violation.
		the Violation.	

Cont. Table Attached to Cabinet Resolution No. (132) of 2023 Concerning the Administrative Penalties imposed on Violators of the provisions of Cabinet Resolution No. (109) of

2023 concerning the Regulation of Real Beneficiary Procedures

		Legal Ref.	The two	administrative	penalties
SN	Violation	Cabinet Resolution No. (109) of 2023	First Time	Second Time	Third Time
7	The Legal	Article (10)	A Written	(15,000)	(30,000) thirty
	Person fails to		Notice to the	fifteen	thousand AED,
	update the		Legal Person	thousand AED	along with
	Partners or		to comply	and a Notice to	notifying the
	Shareholders		within (30)	the Legal	Legal Person to
	Register within		thirty days	Person to	correct the
	(15) fifteen days		from the date	correct the	Violation.
	from the date of		of the Notice.	Violation	
	the change or			within (15)	
	becoming			fifteen days	
	aware of it.			from the date	
				of the	
				Violation.	
8	The Legal	Article (10)	A Written	(30,000) thirty	(60,000) sixty
	Person does not		Notice to the	thousand AED	thousand AED,
	maintain data		Legal Person	and a Notice to	along with
	details of each		to comply	the Legal	notifying the
	Partner or		within (30)	Person to	Legal Person to
	Shareholder or		thirty days	correct the	correct the
	does not		from the date	Violation	Violation.
	include the data		of the Notice.	within (15)	

	contained in			fifteen days	
	Clause (1) of			from the date	
	Article (10) of			of the Notice to	
	Cabinet			the Violator.	
	Resolution No.				
	(109) of 2023				
	referred to in				
	the Partners or				
	Shareholders				
	Register.				
9	The Legal	Article	A Written	(15,000)	(30,000) thirty
	Person fails to	(11/1):	Notice to the	fifteen	thousand AED,
	provide the data		Legal Person	thousand AED	along with
	of the Real		to comply	and a Notice to	notifying the
	Beneficiary		within (30)	the Legal	Legal Person to
	Register and the		thirty days	Person to	correct the
	Partners or		from the date	correct the	Violation.
	Shareholders		of the Notice.	Violation	
	Register to the			within (15)	
	Registrar and			fifteen days	
	fails to preserve			from the date	
	these records			of the	
	from damage,			Violation.	
	loss or				
	destruction.				
10	Legal Person	Article	A Written	(15,000)	(30,000) thirty
	fails to provide	(11/2):	Notice to the	fifteen	thousand AED,
	any additional		Legal Person	thousand AED	along with
	data requested		to comply	and a Notice to	notifying the
	by Registrar		within (30)	the Legal	Legal Person to
	within (14)		thirty days	Person to	

	fourteen days		from the date	correct the	correct the
	from the date of		of the Notice.	Violation	Violation.
	the request.			within (15)	
				fifteen days	
				from the date	
				of the	
				Violation.	
11	The Legal	Article (15)	A Written	(50,000) fifty	(100,000) one
	Person fails to		Notice to the	thousand AED	hundred
	disclose the		Legal Person	and a Notice to	thousand AED,
	classes of the		to comply	the Legal	along with
	Real Beneficiary		within (30)	Person to	notifying the
	in Complex		thirty days	correct the	Legal Person to
	Structures.		from the date	Violation	correct the
			of the Notice.	within (30)	Violation.
				thirty days	
				from the date	
				of the	
				Violation.	

		Legal Ref.	The Tw	o Administrative Po	enalties
SN V	Violation	Cabinet Resolution No. (109) of 2023	First Time	Second Time	Third Time
12	The Legal	Article	A Written Notice	(10,000) ten	(20,000) twenty
	Person fails to	(11/4)	to the Legal	thousand AED	thousand AED,
	provide the		Person to comply	and a Notice to	along with
	Registrar with		within (30) thirty	the Legal Person	notifying the
	the name of a		days from the	to correct the	Legal Person to
	natural person		date of the	Violation within	correct the
	residing in the		Notice.	(15) fifteen days	Violation.
	State who is			from the date of	
	authorised to			the Violation.	
	disclose the data				
	or information				
	required by the				
	Law by Decree				
	and its				
	Executive				
	Regulations.				
13	The Legal	Article	A Written Notice	(15,000) fifteen	(30,000) thirty
	Person fails to	(11/6)	to the Legal	thousand AED	thousand AED,
	disclose when		Person to comply	and a Notice to	along with
	issuing shares or		within (30) thirty	the Legal Person	notifying the
	stakes in the		days from the	to correct the	Legal Person to
	names of		date of the	Violation within	correct the
	persons or		Notice.	(15) fifteen days	Violation.
	members of			from the date of	
	management to			the Violation.	
	the Registrar				

	within (15)				
	fifteen days				
	from the date of				
	issuing the				
	shares or stakes.				
14	The Legal	Article	A Written Notice	(5,000) five	(10,000) ten
	Person subject	(11/7):	to the Legal	thousand AED	thousand AED,
	to dissolution or		Person to comply	and a Notice to	along with
	liquidation, fails		within (30) thirty	the Legal Person	notifying the
	to handover the		days from the	to correct the	Legal Person to
	Liquidator the		date of the	Violation within	correct the
	Real Beneficiary		Notice.	(15) fifteen days	Violation.
	Register, the			from the date of	
	Partners or			the Violation.	
	Shareholders				
	Register within				
	(30) days from				
	the Liquidator				
	appointment.				
15	The Liquidator /	Article	(100,000) One		
		(11/8):	hundred		
	maintain the	,	thousand		
	records and all		dirhams.		
	data				
	contained in				
	Cabinet				
	Resolution				
	No. (109) of				
	2023 -				
	referred to, for				
	a period of (5)				

years from the		
date of		
dissolution,		
liquidation or		
cancellation.		