

Cabinet Decision No. 102/2022

On the Issuance of the Regulation on the Administrative Penalties for Acts Committed in Violation of the Provisions of Federal Decree-Law No. 32 /2021 on the Commercial Companies

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Abrogating

Cabinet Decision No. 78/2022.

The Council of Ministers

Pursuant to the perusal of the Constitution,

Federal Law No. 1/1972 on the Competencies of Ministries and the Powers of Ministers, and its amendments,

Federal Law No. 14/2016 on Violations and Administrative Penalties in the Federal Government,

Federal Decree-Law No. 26/2019 on the Public Finance,

Federal Decree-Law No. 32/2021 on the Commercial Companies,

Cabinet Decision No. 78/2022 on the Issuance of the Regulation on the Administrative

Penalties for Acts Committed in Violation of the Provisions of Federal Decree-Law No. 32/2021 on the Commercial Companies,

Acting upon the proposal of the Minister of Finance, and the approval of the Council of Ministers,

Has decided the following:

Article 1 - Definitions

In application of the provisions of the present Decision, the following terms and expressions shall have the meanings assigned against each of them, unless the context requires otherwise:

- State: The United Arab Emirates.
- Ministry: The Ministry of Economy.
- Minister: The Minister of Economy.
- Authority: The Securities and Commodities Authority.
- Competent Authority: The local authority in charge of the corporate affairs in the concerned Emirate.
- Decree-Law: Federal Decree Law No. 32/2021 concerning the Commercial Companies.
- Working Day: The official Working Day in the ministries, government authorities, and the concerned Competent Authority.

Article 2 - Scope of Application

1- The provisions of the present Decision shall apply to the commercial companies that are established in the State, and to the foreign companies and branches of foreign companies, and to the representative offices and investment funds, which are subject to the provisions of the Decree-Law, the decisions, and regulations issued in implementation thereof, as well as to the foreign companies that are headquartered in the State to exercise any activity or have branches or a representative office therein.

2- The provisions of the present Decision shall not apply to companies that are exempted from the provisions of the Decree-Law, as well as professional, civil, and foreign companies, and companies operating in Free Zones.

Article 3 - Administrative Penalties

1- Without prejudice to any greater penalty or procedure provided for in the Decree-Law, the Ministry or the Competent Authority, each within its own competence, may impose one or more of the following administrative penalties against whoever commits any of the acts in violation of the provisions of the Decree-Law, the decisions, and regulations issued in implementation thereof, as mentioned in the Table attached to this Decision, according to the following gradation:

- a- In case of a first-time violation, a written warning notice shall be addressed to the offender and shall be given a period of no more than thirty (30) days, to be counted from the date on which the warning notice is sent to correct the violation.
- b- In case of a second-time violation, an administrative penalty shall be imposed in accordance with the Table attached to this Decision.
- c- In case of a third-time violation, the administrative penalty shall be doubled in accordance with the Table attached to this Decision.
- d- In case of a fourth-time violation, the administrative penalty shall be increased three times in accordance with the Table attached to this Decision, in addition to a temporary administrative closure for a period not exceeding six (6) months, renewable for one time only.
- e- Cancelling the licence and the approval issued to the offender or the persons-in-charge, provided that the offender bears the costs and expenses to eliminate and remedy the damage resulting from the violation in case it is neither eliminated nor remedied.

2- Subject to Clause (1) of this Article, the Ministry or the Competent Authority, each within its own competence, may impose the greater administrative penalty and disregard the gradation referred to in Clause (1) of this Article if the violation is severe, and it shall have the discretionary power to determine the appropriate administrative penalty in commensurate with the nature of the violation.

3- The amount of the administrative penalties mentioned in the Table attached to this Decision shall be collected according to the mechanism specified by the Ministry of Finance after coordination with the Minister, or the Chairman of the Authority, or the Chairman of the Competent Authority.

4- The Ministry or the Competent Authority, each within its own competence, may double the administrative penalties for the acts committed in violation of the provisions of the Decree-Law mentioned in the Table attached to this Decision, in case of recidivism or repeat offending.

5- For the purposes of collecting the amount of the administrative penalty mentioned in the Table attached to this Decision, a fraction of a day shall be considered as a full day, and a fraction of a month shall be considered as a full month.

Article 4 - Special Provisions on Violations within the Scope of the Competencies of the Authority

1- Without prejudice to any greater penalty or procedure provided for in the Decree-Law, the Ministry may impose one or more of the following administrative penalties against any person who commits any acts in violation of the provisions of the Decree-Law, the decisions, and regulations issued in implementation thereof, and which fall within the scope of its competencies and mentioned in the Table attached to this Decision, according to the following gradation:

- a- In case of a first-time violation, a written warning notice shall be addressed to the offender and shall be given a period of no more than thirty (30) days, to be counted from the date on which the warning notice is sent to correct the violation.
- b- In case of a second-time violation, an administrative penalty shall be imposed in accordance with the Table attached to this Decision.
- c- In case of a third-time violation, the administrative penalty imposed for the second- time violation shall be doubled.
- d- In case of a fourth-time violation, the administrative penalty shall be three times the amount of the administrative penalty imposed for the second-time violation.
- e- Cancelling or suspending the licence and the approval issued to the offender or the persons-in-charge, provided that the offender bears the costs and expenses to eliminate and remedy the damage resulting from the violation in case it is neither eliminated nor remedied.

2- As an exception to Clause (1) of this Article, the Authority may, if the incident that is the subject matter of the violation involves formal procedures or at its own discretion, send a warning notice to the offender, and advise to correct the violation and avoid any repeated incident in the future.

3- The Authority may disregard the gradation referred to in Clause (1) of this Article if the violation is severe, and it shall have the discretionary power to determine the appropriate administrative penalty in commensurate with the nature of the violation.

4- The fine imposed by the Authority against the offender shall be settled within the time limit specified by the Authority, and it may impose a daily delay penalty equal to AED one thousandth (1,000) for every day of delay beyond the specified date, provided that the total amount of the delay penalties does not exceed the imposed fine.

5- Without prejudice to the prescribed maximum amount of the fines mentioned in the Decree-Law, the Authority may impose an administrative penalty of an amount equal to or exceeding the benefit or gains attained by the offender or the avoided losses or equal to the damage resulting from the violation.

6- The administrative penalties within the scope of competence of the Authority and mentioned in this Decision shall be imposed against the violations committed after its entry into force, as well as against the violations committed from the date of implementation of the provisions of the Decree-Law that have not yet been examined by the Authority until the date of entry into force of this Decision.

7- For the purposes of collecting the amount of the administrative penalty mentioned in this Article, a fraction of a day shall be considered as a full day, and a fraction of a month shall be considered as a full month.

Article 5 - Grievance against the administrative Penalties

1- The Ministry, or the Authority, or the Competent Authority - each within its own competence - shall notify the violating company of the decision imposing the administrative penalty, within fifteen (15) days from the date of its issuance.

2- Every interested party and person with the required capacity may file a grievance against the administrative penalty with the Minister, or the Chairman of the Board of Directors of the Authority, or the Chairman of the Competent Authority or his delegate, within thirty (30) days from the date of his notification of the grieved-against decision, provided that the grievance is justified and accompanied by all supporting documents. The grievance shall be decided upon within thirty (30) days as of the filing date, in accordance with the applicable procedures at the Ministry, or the Authority, or the Competent Authority.

3- The decision issued on the grievance shall be final. Failure to respond to the grievance within thirty (30) days from the filing date shall be considered as a refusal of the grievance.

4- Grievance against the decision imposing the administrative penalty may not be accepted after the expiry of the period mentioned in Clause (2) of this Article.

Article 6 - Amendment of Fines

The Council of Ministers shall be competent to make any amendments to the amount of the fines mentioned in the Table attached to this Decision, whether by addition, deletion, or modification.

Article 7 - Abrogation

Cabinet Decision No. (78/2022 on the Issuance of the Regulation of on Administrative Penalties for Acts committed in violation of the provisions of Federal Decree-Law No. 32/2021 on the Commercial Companies shall be abrogated. Any provision that is contrary to or inconsistent with the provisions of this Decision shall also be abrogated.

Article 8 - Publication and Enforcement of the Decision

The present Decision shall be published in the Official Gazette and shall come into force from the day following the date of its publication.

Issued by us

On 9 Rabi' Al-Akhar 1444 H.

Corresponding to 04/November/2022

Mohammed bin Rashid Al Maktoum

Prime Minister

The present Decision was published in the Official Gazette of the United Arab Emirates, Issue no. 739, p. 33.

Table Attached to Cabinet Decision No. 102/2022 on the Issuance of the Regulation on the Administrative Penalties for Acts Committed in Violation of the Provisions of Federal Decree-Law No. 32/2021 on the Commercial Companies

a- The violations and penalties related to the commercial companies:

S.N.	Description of the Violation	Legal Reference	Administrative Penalties for Joint-Liability Companies and Limited Partnerships	Administrative Penalties for Limited Liability Companies	Administrative Penalties for Private Joint Stock Companies	Administrative Penalties for Public Joint Stock Companies
1.	Breach of the rules of governance.	Article (7)	--	--	--	The fines specified by the Authority shall apply to the company that is proved to be in breach of the rules of governance, provided that the fine does not exceed AED ten million (10,000,000).
2.	Violating the percentage of contribution of the nationals of the State according to the activities with a strategic impact.	Article (10)	A company that violates the provisions prescribed regarding the percentage of contribution of the nationals of the State to the capital of the companies, shall be liable to a fine of AED fifty thousand (50,000).	A company that violates the prescribed provisions regarding the percentage of contribution of the nationals of the State to the capital of the companies, or the percentage of nationals in its boards of directors, shall be liable to a fine of AED one hundred thousand (100,000).	A company that violates the prescribed provisions regarding the percentage of contribution of the nationals of the State to the capital of the companies, or the percentage of nationals in its boards of directors, shall be liable to a fine of AED one hundred and fifty thousand (150,000).	A company that violates the provisions prescribed regarding the percentage of contribution of the nationals of the State to the capital of companies, or the percentage of nationals in its boards of directors, shall be liable to a fine equal to AED two hundred thousand (200,000).

3.	Non-compliance of the Shari'a Controller and the members of the Internal Shari'a Supervisory Committee.	Article (11)	The Shari'a controller and each member of the Internal Shari'a Supervisory Committee in companies operating in accordance with the provisions of Islamic Shari'a, who fail to comply with the code of practice rules, on which a decision shall be issued by the Cabinet, shall be liable to a fine of AED five thousand (5,000).	The Shari'a controller and each member of the Internal Shari'a Supervisory Committee in companies operating in accordance with the provisions of Islamic Shari'a, who fail to comply with the code of practice rules, on which a decision shall be issued by the Cabinet, shall be liable to a fine of AED seven thousand (7,000).	The Shari'a controller and each member of the Internal Shari'a Supervisory Committee in companies operating in accordance with the provisions of Islamic Shari'a, who fail to comply with the code of practice rules, on which a decision shall be issued by the Cabinet, shall be liable to a fine of AED ten thousand (10,000).	The Shari'a controller and each member of the Internal Shari'a Supervisory Committee in companies operating in accordance with the provisions of Islamic Shari'a, who fail to comply with the code of practice rules, on which a decision shall be issued by the Cabinet, shall be liable to a fine of AED fifty thousand (50,000).
4.	Non-compliance with the decision to change the trade name.	Article (12)	A company that fails to comply with the decision to change the name of the company shall be liable to a fine of AED five hundred (500) per month. The said fine shall start to be calculated after the expiry of thirty (30) Working Days from the notification date of the Decision, without exceeding AED five thousand (5,000) per year.	A company that fails to comply with the decision to change the name of the company shall be liable to a fine of AED five hundred (500) per month. The said fine shall start to be calculated after the expiry of thirty (30) Working Days from the notification date of the Decision, without exceeding AED five thousand (5,000) per year.	A company that fails to comply with the decision to change the name of the company shall be liable to a fine of AED one thousand (1,000) per month. The said fine shall start to be calculated after the expiry of thirty (30) Working Days from the notification date of the Decision, without exceeding AED ten thousand (10,000) per year.	A company that fails to comply with the decision of the registrar on changing the name of the company shall be liable to a fine of AED one thousand (1,000) per month. The said fine shall start to be calculated after the expiry of (30) Working Days from the notification date of the Decision, without exceeding AED ten thousand (10,000) per year.
5.	Failing to keep accounting records.	Article (26)	A company that fails to keep the company's accounting records to demonstrate its transactions shall be liable to a fine of AED ten thousand (10,000).	A company that fails to keep the company's accounting records to demonstrate its transactions shall be liable to a fine of AED fifteen thousand (15,000).	A company that fails to keep the company's accounting records to demonstrate its transactions shall be liable to a fine of AED twenty thousand (20,000).	A company that fails to keep the company's accounting records to demonstrate its transactions shall be liable to a fine of AED one hundred thousand (100,000).
6.	Publishing the invitation for public offering without the approval of the Authority regarding any shares, bonds, or any other securities, whether the publication is made in daily newspapers, magazines, or any other means of public announcement in the State.	Article (32)	--	--	--	A physical or juristic person who is proved to have committed the violation shall be liable to a fine ranging from AED five hundred thousand (500,000) to AED ten million (10,000,000), pursuant to the conditions and circumstances associated with the incident.
			A fine of AED one thousand (1,000) shall be imposed on a company that fails to keep the following data and documents: 1. A register containing the		A company that refuses to make	A company that refuses to make available to the

7.	Data and documents of the company and refusal to inform the concerned persons of them.	Article (44), Article (100) and Article (140)	<p>names and addresses of the partners.</p> <p>2. A copy of the Memorandum of Association of the company and any amendments thereto.</p> <p>3. A statement of the cash amounts, the nature and value of any assets contributed by each partner, and the dates of such contributions.</p> <p>4. Any other data, documents, or records required under the provisions of the Decree-Law and its implementing decisions.</p>	A company that refuses to make available to the partner the minutes of the General Assembly meetings, or the company's books and documents, or any documents or records related to a transaction that the company has concluded with one of the relevant parties, shall be liable to a fine of AED five thousand (5,000).	available to the shareholder the minutes of the General Assembly meetings, or the company's books and documents, or any documents or records related to a transaction that the company has concluded with one of the relevant parties, or a company that fails to provide a copy of the Memorandum of Association and Statute on its website, shall be liable to a fine of AED ten thousand (10,000).	shareholder the minutes of the General Assembly meetings, the company's books and documents, or any documents or records related to a transaction that the company has concluded with one of the relevant parties, or a company that fails to provide a copy of the Memorandum of Association and Statute on its website, shall be liable to a fine of AED one hundred thousand (100,000).
8.	Failing to invite a member of the board of directors or the managers to the meetings of the board.	Article (104) and Article (156)	--	The manager or the chairman of the board of managers or his representative in the company who fails to invite any member of the board of managers to the meetings of the board, shall be liable to a fine of AED three thousand (3,000).	The chairman of the board of directors of the company or his representative who fails to invite a member of the board of directors to the meetings of the board, shall be liable to a fine of AED eight thousand (8,000).	The chairman of the board of directors of the company or his representative who fails to invite a member of the board of directors to the meetings of the board, shall be liable to a fine of AED one hundred thousand (100,000).
9.	Contribution by the founders to the shares offered for public subscription.	Article (117)	--	--	--	Every founder who subscribes to the shares offered for public subscription shall be liable to a fine of AED five hundred thousand (500,000).
10.	Receipt of the public subscription without the approval of the Authority.	Article (122)	--	--	--	Every party or company that receives money from subscription to shares, bonds, or any other securities shall be liable to a fine ranging from AED five hundred thousand (500,000) to AED ten million (10,000,000), pursuant to the conditions and circumstances associated with the incident.
	Delayed allocation of the shares to the subscribers within					

11.	the specified period (five Working Days from the subscription closing date) or delayed repayment of the excess subscription amounts and revenues thereon to the subscribers within five (5) Working Days from the date of allocation of the shares.	Article (126)	--	--	--	A party that delays the allocation of the shares to the subscribers within the specified period or delays the repayment of the excess amounts and revenues thereon within the specified period, shall be liable to a fine of AED five hundred thousand (500,000).
12.	The failure of the board of directors of the company to submit to the Ministry or Authority, within ten (10) Working Days from the date of the meeting of the Constituent General Assembly, an application accompanied by the supporting documents for the issuance of a certificate of incorporation of the company.	Article (133)	--	--	The company whose board of directors fails to submit to the Ministry or Authority, within ten (10) Working Days from the date of the meeting of the Constituent General Assembly, an application accompanied by the supporting documents for the issuance of a certificate of incorporation of the company, shall be liable to a fine of AED twenty thousand (20,000).	The company whose board of directors fails to submit to the Ministry or Authority, within ten (10) Working Days from the date of the meeting of the Constituent General Assembly, an application accompanied by the supporting documents for the issuance of a certificate of incorporation, shall be liable to a fine of AED one hundred thousand (100,000).
13.	The failure of the board of directors of the company within ten (10) Working Days from the date of issuance of the certificate of incorporation by the Ministry or Authority, to follow its registration procedures at the Competent Authority.	Article (135)	--	--	A company whose board of directors fails to follow the registration procedures at the Competent Authority, within ten (10) Working Days from the date of issuance of the certificate of incorporation of the company by the Ministry, shall be liable to a fine of AED twenty thousand (20,000).	A company whose board of directors fails to follow the registration procedures at the Competent Authority, within ten (10) Working Days from the date of issuance of the certificate of incorporation of the company by the Authority, shall be liable to a fine of AED one hundred thousand (100,000).
14.	Non-listing.	Article (137)	--	--	--	A company that fails to apply for listing in any licensed financial market in the State shall be liable to a fine of AED two thousand (2,000) per day. This fine for every day of delay shall be calculated from the day following the expiry of the listing specified period.
	Violating the rules of the Authority governing the					A company that violates the rules of the Authority governing the

15.	keeping of shareholders' register by the company.	Article (141)	--	--	--	keeping of a shareholders' register shall be liable to a fine of AED one hundred thousand (100,000).
16.	Violating the provisions on the formation of the board of directors.	Article (143) and Article (144)	--	--	A company that violates the provisions on the formation of the board of directors shall be liable to a fine of AED ten thousand (10,000).	A company that violates the provisions on the formation of the board of directors shall be liable to a fine of AED two hundred thousand (200,000).
17.	Non-compliance with the prescribed procedures in case the position of a member of the board of directors becomes vacant.	Article (145)	--	--	A company that fails to comply with the prescribed procedures in case the position of a member of the board of directors becomes vacant shall be liable to a fine of AED ten thousand (10,000).	A company that fails to comply with the prescribed procedures in case the position of a member of the board of directors becomes vacant shall be liable to a fine of AED two hundred thousand (200,000).
18.	Violating the nomination procedures for the membership of the board of directors.	Article (147)	--	--	A company that violates the nomination procedures for the membership of the board of directors shall be liable to a fine of AED ten thousand (10,000).	A company that violates the nomination procedures for the membership of the board of directors shall be liable to a fine of AED two hundred thousand (200,000).
19.	Holding more than five memberships of the boards of directors of joint stock companies headquartered in the State.	Article (149)	--	--	A member of the board of directors of a company who exceeds the prescribed maximum number of memberships of the boards of directors of joint stock companies headquartered in the State, shall be liable to a fine of AED five thousand (5,000).	A member of the board of directors of a company who exceeds the prescribed maximum number of memberships of the boards of directors of joint stock companies headquartered in the State, shall be liable to a fine of AED one hundred thousand (100,000).
20.	Holding the office of a chairman or deputy chairman of the board of directors of more than two joint stock companies headquartered in the State.	Article (149)	--	--	A chairman or a deputy chairman of a board of directors of a company who holds more than the number specified for the two positions of a chairman or deputy chairman of the board of directors of a joint stock company that is headquartered in the State, shall be liable to a fine of AED ten thousand (10,000).	A chairman or a deputy chairman of a board of directors of a company who holds more than the number specified for the two positions of a chairman or deputy chairman of the board of directors of a joint stock company that is headquartered in the State, shall be liable to a fine of AED one hundred thousand (100,000).
	Holding more than one position as the				A managing director who holds more than one position as a	A managing director who holds more than one position as a

21.	managing director of a joint stock company headquartered in the State.	Article (149)	--	--	Managing Director of a joint stock company that is headquartered in the State shall be liable to a fine of AED ten thousand (10,000).	Managing Director of a joint stock company that is headquartered in the State shall be liable to a fine of AED one hundred thousand (100,000).
22.	The failure of a member of a board of directors to disclose any conflict of interests.	Article (150)	--	--	A member of the board of directors of a company who fails to disclose any conflict of interests, shall be liable to a fine of AED fifty thousand (50,000).	A member of the board of directors of a company who fails to disclose any conflict of interests, shall be liable to a fine of AED two hundred thousand (200,000).
23.	Non-compliance with the prescribed procedures on the prohibited dispositions by related parties.	Article (152)	--	--	A related party who fails to comply with the prescribed procedures on the prohibited dispositions by related parties, shall be liable to a fine of AED fifty thousand (50,000).	A related party who fails to comply with the prescribed procedures on the prohibited dispositions by related parties, shall be liable to a fine of AED two hundred thousand (200,000).
24.	Acts of the board of directors of the company beyond the scope of powers vested in it.	Article (154)	--	--	A chairman or a member of the board of directors of a company who acts beyond the powers vested in him shall be liable to a fine of AED ten thousand (10,000).	A chairman or a member of the board of directors of a company who acts beyond the powers vested in him shall be liable to a fine of AED one hundred thousand (100,000).
25.	Absolute delegation of all powers by the chairman of the board of directors to other members of the board.	Article (155)	--	--	A chairman of the board of directors of a company who delegates all his powers to other members of the board of directors in an absolute way, shall be liable to a fine of AED fifty thousand (50,000).	A chairman of the board of directors of a company who delegates all his powers to other members of the board of directors in an absolute way, shall be liable to a fine of AED two hundred thousand (200,000).
26.	Absolute delegation of all powers to the board's chairman by the board of directors.	Article (155)	--	--	A member of the board of directors of the company who delegates all his board powers to the chairman of the board in an absolute way, shall be liable to a fine of AED fifty thousand (50,000).	A member of the board of directors of the company who delegates all his board powers to the chairman of the board in an absolute way, shall be liable to a fine of AED two hundred thousand (200,000).
27.	Non-compliance with the rules provided for the delegation of a member of the board of directors to attend the meetings of the board.	Article (160)	--	--	A chairman or a member of the board of directors of a company who fails to comply with the rules provided for the delegation of a member of the board of directors to attend the meetings of the	A chairman or a member of the board of directors of a company who fails to comply with the rules provided for the delegation of a member of the board of directors to attend the meetings of the board, shall be liable to a fine of AED one

					board, shall be liable to a fine of AED five thousand (5,000).	hundred thousand (100,000).
28.	Breaching the obligation to convene the annual general assembly meeting.	Article (173)	--	The director or the chairman of the board of management or his representative in the company who fails to convene the annual general assembly meeting of the company within the period specified in the Decree-Law, or who convenes said meeting before obtaining the approval of the Competent Authority, shall be liable to a fine of AED five thousand (5,000).	The chairman of the board of directors of the company or his representative who fails to convene the annual general assembly meeting of the company within the period specified in the Decree-Law, or who convenes said meeting before obtaining the approval of the Ministry, shall be liable to a fine of AED thirty thousand (30,000).	The chairman or the member of the board of directors of the company who fails to convene the annual general assembly meeting of the company in the cases and within the periods specified in the Decree-Law, or who convenes said meeting before obtaining the approval of the Authority, shall be liable to a fine of AED two hundred thousand (200,000).
29.	Non-compliance with the conditions and controls regarding the publication of the invitation for the general assembly meeting.	Article (174)	--	--	The company that fails to comply with the conditions and controls regarding the publication of the invitation for the general assembly meeting, shall be liable to a fine of AED ten thousand (10,000).	The company that fails to comply with the conditions and controls regarding the publication of the invitation for the general assembly meeting, shall be liable to a fine of AED one hundred thousand (100,000).
30.	Failing to convene the general assembly meeting at the request of the Authority, the Ministry, or the Competent Authority.	Article (178)	--	The director of the company or the chairman of the board of management or his representative who fails to convene the general assembly meeting after receiving a request to that effect from the Competent Authority, shall be liable to a fine of AED ten thousand (10,000).	The chairman of the board of directors of the company or his representative who fails to convene the general assembly meeting after receiving a request to that effect from the Ministry, shall be liable to a fine of AED fifty thousand (50,000).	The chairman of the board of directors of the company or his representative who fails to convene the general assembly meeting after receiving a request to that effect from the Authority, shall be liable to a fine of AED two hundred thousand (200,000).
31.	Failing to include in the minutes of meeting of the general assembly the specified information according to the provisions of the Decree-Law.	Article (189)	--	--	A company that fails to include in the minutes of meeting of the general assembly the specified statutory information, shall be liable to a fine of AED five thousand (5,000).	A company that fails to include in the minutes of meeting of the general assembly the specified statutory information, shall be liable to a fine of AED fifty thousand (50,000).
32.	Non-execution of the decisions of the general assembly.	Article (191)	--	--	The chairman of the board of directors of the company who fails to execute the decisions of the general assembly, shall be liable to a fine of AED ten thousand (10,000).	The chairman of the board of directors of the company who fails to execute the decisions of the general assembly, shall be liable to a fine of AED two hundred thousand (200,000).

33.	Disposing of stocks or shares in violation of the provisions of the Decree-Law.	Article (211)	Every person who disposes of the stocks in violation of the rules prescribed in the Decree-Law shall be liable to a fine of AED ten thousand (10,000).	Every person who disposes of the stocks in violation of the rules prescribed in the Decree-Law shall be liable to a fine of AED twenty thousand (20,000).	Every person who disposes of the shares in violation of the rules prescribed in the Decree-Law shall be liable to a fine of AED fifty thousand (50,000).	Every person who disposes of the shares in violation of the rules prescribed in the Decree-Law shall be liable to a fine of AED two hundred thousand (200,000).
34.	Violation of the rules relating to the buyback of shares by the company (treasury stock).	Article (221)	--	--	A company that violates any of the rules relating to the buyback of shares (treasury stock) by the company, shall be liable to a fine of AED twenty thousand (20,000).	A company that violates any of the rules relating to the buyback of shares (treasury stock) by the company, shall be liable to a fine of AED five hundred thousand (500,000).
35.	Providing financial aid by the company or any subsidiary company to any person in order to enable him to own any securities issued by the company.	Article (224)	--	--	A company or any subsidiary company that provides a financial aid to a person in order to enable him to own any securities issued by the company, shall be liable to a fine of AED fifteen thousand (15,000).	A company or any subsidiary company that provides a financial aid to a person in order to enable him to own any securities issued by the company, shall be liable to a fine of AED two hundred thousand (200,000).
36.	Violation of the prescribed obligations concerning the share certificates.	Article (229)	--	--	--	A company that violates any of the prescribed obligations concerning the share certificates shall be liable to a fine of AED two hundred thousand (200,000).
37.	Violation of the rules related to the issue of bonds or Sukuk.	Articles from (231) to (236)	--	--	A company that violates any of the rules related to the issue of bonds or Sukuk shall be liable to a fine of AED fifty thousand (50,000).	A company that violates any of the rules related to the issue of bonds or Sukuk shall be liable to a fine of AED two hundred thousand (200,000).
38.	Violating the prescribed rules concerning the preparation of the accounts of the financial year.	Article (237)	--	--	The chairman or the member of the board of directors of the company who violates the prescribed rules concerning the preparation of the accounts of the financial year shall be liable to a fine of AED fifty thousand (50,000). The same fine shall be imposed on the auditor who approves the said accounts.	The chairman or the member of the board of directors of the company who violates the prescribed rules concerning the preparation of the accounts of the financial year shall be liable to a fine of AED one hundred thousand (100,000).
					A fine of AED fifty thousand (50,000) shall be imposed on any of the following persons:	A fine of AED two hundred thousand (200,000) shall be imposed on any of the following persons:

39.	Nomination or assignment of an auditor who is not approved by the Ministry or the Authority.	Article (245)	--	--	<p>- Any chairman or member of the board of directors of the company who nominates or assigns an unapproved auditor.</p> <p>- The unapproved auditor who is either nominated or assigned.</p>	<p>- Any chairman or member of the board of directors of the company who nominates or assigns an unapproved auditor.</p> <p>- The unapproved auditor who is either nominated or assigned.</p>
40.	Violating the prescribed rules concerning the division of the company.	Articles from (294) to (298)	--	--	A company that violates any of the provisions mentioned in the prescribed rules concerning the division of the company shall be liable to a fine of AED one hundred thousand (100,000), in addition to any measures determined by the Ministry by virtue of the decisions issued in this regard.	A company that violates any of the provisions mentioned in the prescribed rules concerning the division of the company shall be liable to a fine of AED five hundred thousand (500,000), in addition to any measures determined by the Authority by virtue of the decisions issued in this regard.
41.	Violating the acquisition rules and procedures.	Article (299) and Article (301)	--	--	A person who violates any of the provisions mentioned in the acquisition rules and procedures, shall be liable to a fine of AED one hundred thousand (100,000), in addition to any measures determined by the Ministry or Authority by virtue of the decisions issued in this regard.	A person who violates any of the provisions mentioned in the acquisition rules and procedures, shall be liable to a fine of AED five hundred thousand (500,000), in addition to any measures determined by the Authority by virtue of the decisions issued in this regard.
42.	Failing to invite the General Assembly to convene in case of losses.	Article (308) and Article (309)	--	The director or the chairman of the board of management or his representative in the company shall be liable to a fine of AED fifty thousand (50,000), if the losses of the company amount to one-half of its capital and the said person fails to invite the general assembly to convene according to the provisions of the Decree-Law.	The chairman of the board of directors of the company or his representative shall be liable to a fine of AED one hundred thousand (100,000), if the losses of the company amount to one-half of its capital and the chairman of the board of directors fails to invite the general assembly to convene according to the provisions of the Decree-Law.	The chairman of the board of directors of the company or his representative shall be liable to a fine of AED two hundred thousand (200,000), if the losses of the company amount to one-half of its capital and the chairman of the board of directors fails to invite the general assembly to convene according to the provisions of the Decree-Law.
43.	Refusing to provide assistance to the inspectors.	Article (343)	The director of the company or his representative or the employee of the company or the auditor who refuses to submit documents or information to the inspectors of the Competent Authority to perform their duties or	The director of the company or the chairman of the board of management or his representative or the employee of the company or the auditor who refuses to submit documents or information to the inspectors of the Competent Authority	The chairman or the member of the board of directors or the Chief Executive Officer (CEO) or the Director-General or the employee of the company or the auditor who refuses to submit documents or information to the inspectors of the	The chairman or the member of the board of directors or the Chief Executive Officer (CEO) or the Director-General or the employee of the company who refuses to submit documents or information to the inspectors of the Authority to perform

			who hides information or clarifications or who provides them with misleading information, shall be liable to a fine of AED five thousand (5,000).	to perform their duties or who hides information or clarifications or who provides them with misleading information, shall be liable to a fine of AED five thousand (5,000).	Ministry to perform their duties or who hides information or clarifications or who provides them with misleading information, shall be liable to a fine of AED ten thousand (10,000).	their duties or who hides information or clarifications or who provides them with misleading information, shall be liable to a fine of AED two hundred thousand (200,000).
44.	Delaying the adjustment of situation.	Article (359)	A company that fails to amend its Memorandum of Association to conform to the provisions of the Decree-Law shall be liable to a fine of AED five hundred (500) per month. The said fine shall start to be calculated after the expiry of one year from the date of entry into force of the provisions of the Decree-Law, without exceeding AED five thousand (5,000) per year.	A company that fails to amend its Memorandum of Association to conform to the provisions of the Decree-Law shall be liable to a fine of AED one thousand (1,000) per month. The said fine shall start to be calculated after the expiry of one year from the date of entry into force of the provisions of the Decree-Law, without exceeding AED ten thousand (10,000) per year.	A company that fails to amend its Memorandum of Association and Statute to conform to the provisions of the Decree-Law shall be liable to a fine of AED one thousand and five hundred (1,500) per month. The said fine shall start to be calculated after the expiry of one year from the date of entry into force of the provisions of the Decree-Law, without exceeding AED fifteen thousand (15,000) per year.	A company that fails to amend its Memorandum of Association and Statute to conform to the provisions of the Decree-Law shall be liable to a fine of AED two thousand (2,000) per month. The said fine shall start to be calculated after the expiry of one year from the date of entry into force of the provisions of the Decree-Law, without exceeding AED twenty thousand (20,000) per year.
45.	Violating the provisions of the Decree-Law and its Implementing Decisions where no administrative penalty is laid down in this Decision.	--	Any person who violates any of the provisions of the Decree-Law for other acts and violations not previously specified in this Table, and that are committed in violation of the provisions of Federal Decree-Law No. 32/2021 on the Commercial Companies or the provisions of the rules, regulations, or decisions issued in its implementation, shall be liable to a fine of AED ten thousand (10,000).	A fine of AED ten thousand (10,000) shall be imposed for any other acts and violations not previously specified in this Table, and that are committed in violation of the provisions of Federal Decree-Law No. 32 /2021 on the Commercial Companies or the provisions of the rules, regulations, or decisions issued in its implementation thereof.	A fine of AED fifteen thousand (15,000) shall be imposed for any other acts and violations not previously specified in this Table, and that are committed in violation of the provisions of Federal Decree-Law No. 32 /2021 on the Commercial Companies or the provisions of the rules, regulations, or decisions issued in its implementation thereof.	A fine not less than AED one thousand (1,000) and not exceeding AED five hundred thousand (500,000) shall be imposed for any other acts and violations not previously specified in this Table, and that are committed in violation of the provisions of Federal Decree-Law No. 32 /2021 on the Commercial Companies or the provisions of the rules, regulations, or decisions issued in its implementation thereof.

b- Violations related to the Investment Funds:

S.N.	Description of the Violation	Legal Reference	Administrative Penalties
Issue No. 1	Violating the rules, decisions, and circulars regulating the investment funds issued by the Authority.	Article (273)	Every person who violates the procedures determined by the Authority according to the decisions issued in this regard shall be liable to a fine ranging from AED twenty thousand (20,000) to AED ten million (10,000,000).
Issue No. 2	Non-renewal of the licence of the investment fund.		The director of the fund and the board of directors of the self-administered fund shall be liable to a delay fine of AED five hundred (500) per month of delayed renewal of the licence of the investment fund.

c- Violations related to the auditors of joint stock companies:

Description of the Violation	Legal Reference	Administrative Penalties
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Violating the provisions of the Decree-Law, rules, and decisions governing the auditors of public joint stock companies and their work mechanism.	Articles (153) and (173) and (177) and (187) and (189) and (237) and (238) and (244) and from (245) to (252) and from (254) and (340) and (343)	An auditing company that violates any of the provisions of the Decree-Law, the rules, decisions, and circulars governing the auditors of public joint stock companies and their work mechanism, shall be liable to a fine of AED two hundred thousand (200,000).
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d- Violations related to the Share Register Secretariat:

Description of the Violation	Legal Reference	Administrative Penalties
Violating the rules and decisions regulating the activities of the Secretariat of Shareholders' Register of private joint stock companies.	Article (262)	The registrar of the Shareholders' Register of private joint stock companies who violates any of the rules and decisions regulating the activities of the Secretariat of Shareholders' Register of private joint stock companies, shall be liable to a fine of AED one hundred thousand (100,000).

e- Violations related to foreign companies:

Description of the Violation	Legal Reference	Administrative Penalty
Non-registration and non-licensing of a foreign Company	Article (336) and Article (338)	A foreign company or its office or branch in the State that fails to register with the Registrar and to obtain the licence from the Competent Authority, or that fails to submit, on yearly basis, a copy of the balance sheet, the final accounts and the auditor' report, with a copy of the final accounts of its holding company, if any, to the Competent Authority and the Ministry, shall be liable to a fine of AED one hundred thousand (100,000).

f- Violations related to representative offices:

Description of the Violation	Legal Reference	Administrative Penalty
Exercise of a commercial activity by the representative office	Article (339)	A representative office of a foreign company in the State that carries on a commercial activity in the State shall be liable to a fine of AED fifty thousand (50,000).

g- Violations related to other persons:

Description of the Violation	Legal Reference	Administrative Penalty
Violations of the provisions of the Decree-Law and its Implementing Decisions by other persons where no administrative penalty is laid down in this Decision.	--	Every person who violates any of the provisions of the Decree-Law, its implementing decisions where no administrative penalty is laid down in this Decision, shall be liable to a fine not less than AED one thousand (1,000) and not exceeding AED five hundred thousand (500,000).