
DECISION NOTICE

To: Fius Capital Limited (**Fius**)

DFSA Ref: F001157

Address: Office 106, Liberty House
PO Box 333607
Dubai, UAE

Date: 14 June 2023

ACTION

1. For the reasons given in this Decision Notice, and pursuant to Article 90(2)(a) of the Regulatory Law 2004 (the **Regulatory Law**), the Dubai Financial Services Authority (the **DFSA**) has decided to impose on Fius a fine of USD11,340 (the **Fine**).
2. The DFSA has considered representations made by Fius as to its current financial circumstances, and the hardship which would be caused to it by the imposition of the Fine. The DFSA has, therefore, decided to reduce the Fine by 50% to USD16,200.
3. Fius has also agreed to settle this matter. The DFSA has, therefore, decided to reduce the Fine by a settlement discount of 30%. Were it not for the settlement discount and the DFSA's consideration of Fius' financial hardship, the DFSA would have imposed a fine of USD32,400 on Fius.
4. This Decision Notice is addressed to Fius alone. Nothing in this Decision Notice constitutes a determination that any person other than Fius breached any legal or regulatory rule, and the findings expressed in this Decision Notice are without prejudice to the position of any third party or of the DFSA in relation to any third party.

DEFINITIONS

5. Defined terms are identified in this Decision Notice by the capitalisation of the initial letter of a word or of each word in a phrase and are defined either in Annex A to this Decision Notice or in the DFSA Rulebook, Glossary Module. Unless the context otherwise requires, where capitalisation of the initial letter is not used, an expression has its natural meaning.

SUMMARY OF REASONS

6. The DFSA has decided to take this action as it considers that Fius has failed to, by the prescribed due dates:

- 5.1 submit the following reports to the DFSA:

- 5.1.1 the 2020 and 2021 Annual Reports;

- 5.1.2 the 2021 Annual PIB Return;

- 5.1.3 the Quarter 2 2022 Quarterly PIB Return; and

- 5.1.4 the 2022 annual AML Return;

- 5.2 inform the DFSA of the resignation or termination of its Auditor in 2020; and

- 5.3 pay its 2022 annual fee to the DFSA,

so, by virtue of Article 85(1) of the Regulatory Law, Fius contravened the following Rules:

- 5.4 Rule 8.6.2 of the General Module (**GEN**) as read with GEN Rule 8.6.1 – Audit reports;

- 5.5 GEN Rule 11.8.12(1) – Obligations of Authorised Firms relating to its Controllers;

- 5.6 Rule 2.3.2 of the Prudential – Investment, Insurance Intermediation and Banking Module (**PIB**) – Reporting to the DFSA;

- 5.7 PIB Rule 2.3.8(1) and PIB Rule 2.3.8(2) – Reporting to the DFSA;

- 5.8 Rule 14.5.1 of the Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module (**AML**) – Annual AML Return;
- 5.9 GEN Rule 8.4.2 – Appointment and termination of Auditors; and
- 5.10 Rule 3.2.1(1) of the Fees Module (**FER**) – Authorised Firms (subsequent periods) as read with FER Rule 1.2.2(b) – Due date for payment of fees.

FACTS AND MATTERS RELIED UPON

Background

- 7. On 11 November 2009, Fius was incorporated in the DIFC.
- 8. On 21 January 2010, Fius was authorised by the DFSA. Fius, a PIB Category 4 Firm, is currently licenced to carry on the Financial Services of Advising on Financial Products, Arranging Deals in Investments, and Arranging Credit and Advising on Credit.
- 9. As an Authorised Firm, Fius was required to:
 - 8.1 submit to the DFSA, within four months of its financial year end, an annual report (the **Annual Report**) including:
 - 8.1.1 a Financial Statement Auditor's Report;
 - 8.1.2 a Regulatory Returns Auditor's Report; and
 - 8.1.3 an annual report on its Controllers;
 - 8.2 notify the DFSA immediately if the appointment of an Auditor is or is about to be terminated, or on the resignation of its Auditor; and
 - 8.3 submit to the DFSA an annual PIB return within four months of its financial year end (**Annual PIB Return**) using the electronic prudential reporting system (**EPRS**);
 - 8.4 submit to the DFSA within one month from each quarter end, a quarterly PIB return (**Quarterly PIB Return**) using the EPRS;
 - 8.5 pay an annual fee to the DFSA immediately after the end of each calendar year since its authorisation after its initial period of regulation; and

- 8.6 submit to the DFSA by the end of September of each year an annual AML Return covering the period from 1 August of the previous year to 31 July of the reporting year.

2020 Annual Reports and Auditor's Resignation / Termination

2020 AR

10. Fius was required to submit to the DFSA an Annual Report for the year ended 31 December 2020 (the **2020 AR**) by 30 April 2021. However, Fius failed to do so.
11. On 8 April 2021, Fius informed the DFSA by letter that its Board had decided to conduct the 2020 audit concurrently with the 2021 audit.
12. On 15 April 2021, the DFSA issued a letter to Fius titled "*Regulatory concerns requiring immediate action*" which, among other things, due to regulatory forbearance set a new date for submission of the 2020 AR to 31 May 2021. However, Fius failed to submit the 2020 AR by 31 May 2021.
13. On 16 September 2021, in response to a follow up email from the DFSA on the same date, Fius emailed the DFSA stating that if all went to plan, the audit would be completed by the end of September 2021. However, Fius did not submit the 2020 AR by 30 September 2021.
14. On 9 November 2021 (i.e. 193 days after the original deadline of 30 April 2021 as set out at paragraph 10 above), Fius submitted to the DFSA the 2020 AR.

Auditor's Resignation / Termination

15. As an Authorised Firm, Fius was required to notify the DFSA immediately if the appointment of its Auditor is or is about to be terminated, or on the resignation of its Auditor.
16. Fius appointed a new Auditor to conduct the 2020 AR. However, Fius did not notify the DFSA of the termination or resignation of its previous Auditor.

2021 Annual Report

17. Fius was also required to submit to the DFSA an Annual Report for the year ended 31 December 2021 (the **2021 AR**) by 30 April 2022. However, Fius failed to do so.

18. On 3 June 2022, the DFSA issued a letter to Fius titled "*Regulatory concerns requiring immediate action*" which, among other things, required Fius to submit the 2021 AR by 30 June 2022.
19. On 13 June 2022, Fius sent a letter to the DFSA requesting an extension to submit the 2021 AR. However, the DFSA did not grant the requested extension and Fius failed to submit the 2021 AR by 30 June 2022.
20. On 20 July 2022 (i.e. 81 days after the set deadline of 30 April 2022), Fius submitted to the DFSA the 2021 AR.

Annual PIB Return 2021

21. Fius was required to submit an Annual PIB Return within four months of its financial year end, which is 31 December of each year.
22. Fius was therefore required to submit its Annual PIB Return for 2021 on or by 30 April 2022. However, Fius failed to do so.
23. On 22 July 2022 (i.e. 83 days after the set deadline of 30 April 2022), Fius submitted its Annual PIB Return for 2021.

Quarter 2 (Q2) 2022 Quarterly PIB Return

24. Fius was required to submit a Quarterly PIB Return for Q2 using the EPRS by 31 July 2022. However, Fius failed to do so.
25. On 22 August 2022 (i.e. 22 days after the set deadline of 31 July 2022), Fius submitted its Q2 2022 Quarterly PIB Return to the DFSA.

2022 Annual Fee (AF)

26. Fius was required to pay a fee of USD17,000 to the DFSA for the financial year ended 31 December 2022 by 1 January 2022 (the **2022 AF**). However, Fius failed to pay the 2022 AF by the due date.
27. On 12 July 2022 (i.e. 192 days after the set deadline of 1 January 2022), Fius paid the bulk of 2022 AF to the DFSA. USD16,965 was paid on 12 July 2022.
28. According to FER Rule 1.2.8 fees payable must be paid in USD. However, the amount was paid to the DFSA in euros which led to a shortfall of USD35. The remaining USD35 was paid on 30 September 2022.

2022 AML Return

29. Fius was required to complete an annual AML Return form and submit it to the DFSA each year, including in 2022. These annual AML Returns are due by 30 September of each year and covers the period from 1 August of the previous year to 31 July of the reporting year.
30. On 8 August 2022, the DFSA sent an email reminding Fius that the deadline to complete and submit the annual AML Return covering the period from 1 August 2021 to 31 July 2022 (the **2022 AML Return**) was 30 September 2022. However, Fius failed to submit the 2022 AML Return on or by 30 September 2022.
31. On 31 October 2022, the DFSA sent an email to Fius, requiring Fius to submit the 2022 AML Return by 17:00 on 3 November 2022. However, Fius failed to submit the 2022 AML Return by 17:00 on 3 November 2022.
32. On 7 November 2022 (i.e. 38 days after the set deadline of 30 September 2022), Fius submitted the 2022 AML Return to the DFSA.

CONTRAVENTIONS

GEN Rule 8.6.2 as read with GEN Rule 8.6.1

33. GEN Rule 8.6.1 states that:

"[a]n Authorised Person must, in writing, require its Auditor to:

- (a) conduct an audit of and produce a Financial Statement Auditor's Report on the Authorised Person's financial statements...;*
- (b) produce a Regulatory Returns Auditor's Report in accordance with the Rules in AUD App¹ as relevant".*

34. GEN Rule 8.6.2 states that:

"[a]n Authorised Person must submit any reports produced by its Auditor that are required by this chapter to the DFSA:

- (a) within four months of the Authorised Person's financial year end".*

35. As stated in paragraphs 14 and 20 above, Fius submitted its Annual Reports after the due date for both the years ending 31 December 2020 and 31 December 2021. Fius

therefore, by virtue of Article 85(1) of the Regulatory Law, contravened GEN Rule 8.6.2 as read with GEN Rule 8.6.1.

GEN Rule 11.8.12(1)

36. GEN Rule 11.8.12(1) states that:

"[a]n Authorised Person must submit to the DFSA an annual report on its Controllers within four months of its financial year end".

37. As stated in paragraphs 14 and 20 above, Fius failed to submit its annual report on its Controllers as part of its Annual Reports by the due date for both years ending 31 December 2020 and 31 December 2021. Fius therefore, by virtue of Article 85(1) of the Regulatory Law, contravened GEN Rule 11.8.12(1).

GEN Rule 8.4.2

38. GEN Rule 8.4.2 states that:

"[a]n Authorised Person must notify the DFSA immediately if the appointment of the Auditor is or is about to be terminated, or on the resignation of its Auditor, by completing and submitting the appropriate form in AFN [the Applications, Forms and Notices Module of the Sourcebook (AFN)]."

39. As stated in paragraph 16 above, Fius appointed a new Auditor to conduct the audit of the 2020 AR and did not notify the DFSA of the termination or resignation of its previous Auditor. Fius therefore, by virtue of Article 85(1) of the Regulatory Law, contravened GEN Rule 8.4.2.

PIB Rule 2.3.8(1)

40. PIB Rule 2.3.8(1) states that:

"[a]n Authorised Firm must submit to the DFSA any annual return required by Table 1 in section A2.4 of App2, within four months of the end of the Authorised Firm's financial year".

41. As stated in paragraph 23 above, Fius failed to submit the Annual PIB Return for 2021 by the due date. Fius therefore, by virtue of Article 85(1) of the Regulatory Law, contravened PIB Rule 2.3.8(1).

PIB Rule 2.3.2 and 2.3.8(2)

42. PIB Rule 2.3.2 states that:

"[a]n Authorised Firm must, subject to Rule 2.3.3:

(a) prepare its returns in accordance with the Rules in this chapter, the instructional guidance in PRU, and the requirements of the DFSA's electronic prudential reporting system; and

(b) submit the returns to the DFSA using the electronic prudential reporting system."

43. PIB Rule 2.3.8(2) states that:

"[a]n Authorised Firm must submit to the DFSA any other return required by Table 1 in section A2.4 of App2, within one month after the end of the reporting period to which the return relates."

44. As stated in paragraph 25 above, Fius failed to submit the Q2 2022 Quarterly PIB Return using the EPRS by the due date. Fius therefore, by virtue of Article 85(1) of the Regulatory Law, contravened PIB Rule 2.3.8(2).

FER Rule 3.2.1(1) as read with FER Rule 1.2.2(b)

45. FER Rule 3.2.1(1) states that:

"[a]n Authorised Firm must pay to the DFSA an annual fee for any period of regulation after the initial period described in Rule 3.1.1."

46. FER Rule 1.2.2(b) states:

"In regard to fees payable pursuant to chapter 3:

...

(b) subsequent annual fees are payable in advance and must be paid in full to the DFSA:

(i) in the case of a Person other than a Registered Auditor, on or before 1 January of the calendar year to which the fee relates".

47. As stated in paragraph 26 above, Fius failed to pay the 2022 AF by the due date. Fius therefore, by virtue of Article 85(1) of the Regulatory Law, contravened FER Rule 3.2.1(1) as read with FER Rule 1.2.2(b).

AML Rule 14.5.1

48. AML Rule 14.5.1 states that a Relevant Person, which includes an Authorised Firm other than a Credit Rating Agency:

"must complete the AML Return form in AFN and submit it to the DFSA by the end of September each year. The annual AML Return must cover the period from 1 August of the previous year to 31 July of the reporting year."

49. As stated in paragraph 32 above, Fius failed to submit the 2022 AML Return by the due date. Fius therefore, by virtue of Article 85(1) of the Regulatory Law, contravened AML Rule 14.5.1.

ACTION

50. In deciding to take the action set out in this Decision Notice, the DFSA has considered the factors and considerations set out in sections 6-2 and 6-3 of the DFSA's Regulatory Policy and Process Sourcebook (RPP).

51. The DFSA considers the following factors to be of particular relevance in this matter:

49.1 the DFSA's zero tolerance approach to AML-related breaches and contraventions in the DIFC, and the approach to anti-money laundering breaches more generally in the UAE;

49.2 the deterrent effect of the action on Fius and others from committing similar contraventions; and

49.3 the disciplinary record and compliance history of Fius.

52. The DFSA notes that it has separately imposed on Fius fees of:

50.1 USD1,000 on 12 January 2022 for the late payment of the 2022 AF; and

50.2 USD4,000 on 30 May 2022 for the late submission of the 2021 AR, including the annual report on Fius' Controllers, and the Annual PIB Return for 2021.

USD4,000 is the maximum amount of late fees that can be imposed on a Firm in a calendar year. As a result, the DFSA was unable to impose an additional late fee for the late submission of the annual AML Return.

However, the DFSA considers that these late fees do not adequately address the DFSA's concerns regarding Fius' persistent misconduct or would not deter such conduct in the future. Therefore, to properly address the DFSA's concerns, the DFSA has decided to impose the Fine.

53. FER Rule 1.2.9 as read with FER Rule 7.1.3 states that nothing in the section of that Module which covers fees for late returns limits the right of the DFSA to take any other action.
54. On this basis, the DFSA has considered the sanctions and other options available to it given the circumstances of this matter and concluded that a fine is the most appropriate action to take against Fius.

Determination of the Fine

55. In determining the appropriate level of financial penalty to impose in this matter, the DFSA has considered the factors and considerations set out in sections 6-4 and 6-5 of the RPP as follows.

Step 1 – Disgorgement

56. There is no evidence to suggest that Fius received any economic benefit as a result of its contraventions. Accordingly, this step was not considered to be relevant.

Step 2 – The seriousness of the contraventions

57. The DFSA found Fius' contraventions to be significant because Fius failed to submit several annual regulatory returns and the Q2 2022 Quarterly PIB Return within the specified deadlines as set out in paragraphs 10 to 14, 17 to 25 and 29 to 32 above. Accordingly, Fius' contraventions were systemic and repeated.
58. In addition, Fius had been told repeatedly by the DFSA of the DFSA's concerns regarding its non-compliance. Also, Fius' responses to the DFSA's repeated warnings concerning non-compliance were not timely or adequate.
59. Taking the above factors into account, the DFSA considers that a financial penalty of USD27,000 appropriately reflects the seriousness of the contraventions.

60. Accordingly, the figure after Step 2 is USD27,000.

Step 3 – Mitigating and aggravating factors

61. In considering the appropriate level of financial penalty, the DFSA had regard to the mitigating and aggravating factors set out in RPP paragraph 6-5-8.

62. In particular, the DFSA has had regard to RPP paragraph 6-5-8(c), (d), (f) and (i) in that:

60.1 Fius' senior management were aware of the contraventions or of the potential for contraventions, and did not take steps to stop the contraventions; and

60.2 Fius' general compliance in submitting regulatory returns has been poor.

63. As a result, the DFSA considers that, overall, these factors aggravate the seriousness of Fius' contraventions. The DFSA has therefore decided to increase the figure after Step 2 by 20%.

64. Accordingly, the figure after Step 3 is USD32,400.

Step 4 – Adjustment for deterrence

65. Pursuant to RPP paragraph 6-5-9, if the DFSA considers that the level of the financial penalty which it has arrived at after Step 3 is insufficient to deter the firm that committed the contravention, or others, from committing further or similar contraventions, then the DFSA may increase it.

66. The DFSA considers that the figure after Step 3 is sufficient for the purpose of deterring Fius from committing further contraventions and others from committing similar contraventions. Accordingly, the DFSA does not consider it appropriate to adjust the amount of the fine arrived at after Step 3 for the purposes of deterrence.

67. Accordingly, the figure after Step 4 is USD32,400.

Step 5 – Financial hardship consideration and settlement discount

68. Fius has made submissions with supporting evidence concerning its financial situation. The DFSA has, therefore, decided to provide Fius with some relief as to the amount of the Fine imposed. The DFSA has decided to reduce the Fine by half to USD16,200 (i.e. USD32,400 minus USD16,200).

69. The DFSA's policy in relation to considering serious financial hardship is set out in section 6-7 of RPP, 201.
70. Where the DFSA and the firm on which the financial penalty is to be imposed agree on the amount and other terms, RPP paragraph 6-5-10 provides that the amount of the financial penalty that might otherwise have been payable will be reduced to reflect the fact that an agreement is reached.
71. The DFSA and Fius have reached agreement on the relevant facts and matters relied upon and the amount of fine that would be imposed. Fius has submitted the outstanding regulatory returns discussed above. Therefore, the DFSA has applied a 30% discount to the level of fine which the DFSA would have otherwise imposed.
72. Accordingly, the figure after Step 5 is USD11,340.

The level of the fine imposed

73. Given the factors and considerations set out above and the circumstances of this matter, the DFSA has determined that it is proportionate and appropriate in the circumstances to impose on Fius a financial penalty of USD11,340.

PROCEDURAL MATTERS

Settlement Decision Maker

74. The decision which gave rise to the obligation to give this Decision Notice was made by a Settlement Decision Maker on behalf of the DFSA.
75. This Decision Notice is given to Fius under paragraph 3(2) of Schedule 3 of the Regulatory Law.

Evidence and other material considered

76. Annex B sets out extracts from some statutory and regulatory provisions and guidance relevant to this Decision Notice.
77. The DFSA provided Fius with a copy, or access to a copy, of the relevant materials that were considered in making the decision which gave rise to the obligation to give this Decision Notice.

Manner and time for payment of the Fine

78. The Fine must be paid no later than 28 days from the date on which this Decision Notice is given to Fius.
79. If all or any part of the Fine remains outstanding on the date by which it must be paid, the DFSA may recover the outstanding amount as a debt owed by Fius and due to the DFSA.

Right of review of the decision by the Financial Markets Tribunal (FMT)

80. Pursuant to Article 90(5) of the Regulatory Law, Fius has the right to refer this matter to the FMT for review. However, in deciding to settle this matter and in agreeing to the action set out in this Decision Notice, Fius has agreed that it will not refer this matter to the FMT.

Publicity

81. Under Article 116(2) of the Regulatory Law, the DFSA may publish, in such form and manner as it regards appropriate, information and statements relating to decisions of the DFSA and of the Court, censures, and any other matters that the DFSA considers relevant to the conduct of affairs in the DIFC.
82. In accordance with Article 116(2) of the Regulatory Law, the DFSA intends to publicise the action taken in this Decision Notice and the reasons for that action. This may include publishing this Decision Notice itself, in whole or in part.
83. The DFSA will notify Fius of the date on which the DFSA intends to publish information about this Decision Notice.

DFSA contacts

84. For more information concerning this matter generally, please contact the Administrator to the Decision Making Committee on +971 4 362 1500 or by email at DMC@dfsa.ae.

Signed:

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Ken Coghill

As a Settlement Decision Maker on behalf of the DFSA

ANNEX A – DEFINITIONS

Term	Definition
2020 AR	Annual Report for the year ended 31 December 2020
2021 AR	Annual Report for the year ended 31 December 2021
2022 AF	Annual fee payable to the DFSA
2022 AML Return	AML Return due by 30 September 2022
AFN	Applications, Forms and Notices module of the DFSA Sourcebook.
Annual PIB Return	PIB return required to be submitted to the DFSA annually within four months of the Firm's financial year end.
AML	Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module of the DFSA Rulebook.
Annual Report	Annual report required to be submitted to the DFSA, within four months of its financial year end, including: <ul style="list-style-type: none"> • a Financial Statement Auditor's Report; • a Regulatory Returns Auditor's Report; and • an annual report on its Controllers.
DIFC	Dubai International Financial Centre.
DFSA	Dubai Financial Services Authority.
EPRS	Electronic Prudential Reporting System used to submit the Annual PIB Returns and Quarterly PIB Returns
FER	Fees Module of the DFSA Rulebook.
Fine	The fine imposed on Fius by the DFSA, as set out in this Decision Notice.
FMT	Financial Markets Tribunal.
GEN	General Module of the DFSA Rulebook.
PIB	Prudential – Investment, Insurance Intermediation and Banking Module of the DFSA Rulebook.
Quarterly PIB Return	PIB returns required to be submitted to the DFSA within one month of the end of every quarter.
Regulatory Law	Regulatory Law 2004.

RPP	Regulatory Policy and Process Sourcebook.
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ANNEX B – RELEVANT STATUTORY AND REGULATORY PROVISIONS

1. RELEVANT LEGISLATION

Regulatory Law, DIFC Law No. 1 of 2004

85. General Contravention Provision

(1) *A person who:*

(a) does an act or thing that the person is prohibited from doing by or under the Law, Rules or other legislation administered by the DFSA;

(b) does not do an act or thing that the person is required or directed to do by or under the Law, Rules or other legislation administered by the DFSA; or

(c) otherwise contravenes a provision of the Law, Rules or other legislation administered by the DFSA;

commits a contravention of the Law, Rules or other legislation, as the case may be, by virtue of Article 85 unless another provision of the Law, Rules or other legislation administered by the DFSA provides that the person commits, or does not commit, a contravention.

90. Sanctions and directions

(1) *Where the DFSA considers that a person has contravened a provision of any legislation administered by the DFSA, other than in relation to Article 32, the DFSA may exercise one or more of the powers in Article 90(2) in respect of that person.*

(2) *For the purposes of Article 90(1) the DFSA may:*

(a) fine the person such amount as it considers appropriate in respect of the contravention;

(...)

(5) *If the DFSA decides to exercise its power under this Article in relation to a person, the person may refer the matter to the FMT for review.*

116. Publication by the DFSA

(...)

- (2) *The DFSA may publish in such form and manner as it regards appropriate information and statements relating to decisions of the DFSA, the FMT and the Court, sanctions, and any other matters which the DFSA considers relevant to the conduct of affairs in the DIFC.*

SCHEDULE 3 DECISION-MAKING PROCEDURES

3. Decisions to which procedures do not apply

- (1) *The procedures in this Schedule (other than sub-paragraph (2) of this paragraph) do not apply to a decision by the DFSA:*
- (a) to withdraw a direction, requirement, restriction or prohibition;*
 - (b) to withdraw a condition or restriction imposed in relation to a Licence, Licence Endorsement, registration, authorisation or approval; or*
 - (c) in relation to a person, if the person has requested, or consented in writing to, the making of the decision.*
- (2) *In the cases referred to in sub-paragraph (1), the DFSA must notify the person in writing of the decision and the date on which it is to take effect.*

2. RELEVANT DFSA RULEBOOK PROVISIONS

Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module (AML)

1.1 Application

1.1.2 *For the purposes of these Rules, a Relevant Person means:*

- (a) an Authorised Firm other than a Credit Rating Agency;*
- (b) an Authorised Market Institution;*
- (c) a DNFBP; or*
- (d) a Registered Auditor.*

14.5 Annual AML return

14.5.1 A Relevant Person must complete the AML Return form in AFN and submit it to the DFSA by the end of September each year. The annual AML Return must cover the period from 1 August of the previous year to 31 July of the reporting year.

Fees Module (FER)

1.2 General provisions **Due date for payment of fees**

1.2.2 In regard to fees payable pursuant to chapter 3:

(...)

(b) subsequent annual fees are payable in advance and must be paid in full to the DFSA:

(i) in the case of a Person other than a Registered Auditor, on or before 1 January of the calendar year to which the fee relates;

(...)

Late payment fee

1.2.9 (1) If a fee referred to in Rule 1.2.2, 1.2.5 or 1.2.7 is not paid in full by the due date, the non-payment incurs a late payment fee of:

(a) \$1,000 or an amount equal to 3% of the fee due (whichever is the greater);
plus

(b) the fee due shall be increased by 1% for each calendar month, or part of a calendar month, that it remains outstanding after the due date.

(2) Nothing in this Rule limits the right of the DFSA to take any other action.

3.2 Authorised Firms (subsequent periods)

3.2.1 (1) An Authorised Firm must pay to the DFSA an annual fee for any period of regulation after the initial period described in Rule 3.1.1.

(...)

7 LATE RETURNS

Fees for late returns or reports

(...)

7.1.3 Nothing in this section limits the right of the DFSA to take any other action.

General Module

8.4 Appointment and termination of Auditors

8.4.2 An Authorised Person must notify the DFSA immediately if the appointment of the Auditor is or is about to be terminated, or in the resignation of its Auditor, by completing and submitting the appropriate form in AFN.

8.6 Audit Reports

8.6.1 An Authorised Person must, in writing, require its Auditor to:

(a) conduct an audit of and produce a Financial Statement Auditor's Report on the Authorised Person's financial statements in accordance with:

(i) the International Standards on Auditing; or

(ii) if the Authorised Firm is a Branch and the financial statements have been prepared for its head office, the recognised audit standards in the jurisdiction where the head office is located;

(b) produce a Regulatory Returns Auditor's Report in accordance with the Rules in AUD App1 as relevant;

(...)

8.6.2 An Authorised Person must submit any reports produced by its Auditor that are required by this chapter to the DFSA:

(a) within four months of the Authorised Person's financial year end; or

(b) if the report is on financial statements prepared for the head office of a Branch as referred to in Rule 8.6.1(a)(ii), within 14 days of the report being required to be submitted by the head office to its Financial Services Regulator,

whichever is later.

11.8.12 OBLIGATIONS OF AUTHORISED FIRMS RELATING TO ITS CONTROLLERS

11.8.12 *(1) An Authorised Firm must submit to the DFSA an annual report on its*

Controllers within four months of its financial year end.

(2) The Authorised Firm's annual report on its Controllers must include:

(a) the name of each Controller; and

(b) the current holding of each Controller, expressed as a percentage.

Prudential – Investment, Insurance Intermediation and Banking Module (PIB)

2.3 Reporting to the DFSA

(...)

2.3.2 An Authorised Firm must, subject to Rule 2.3.3:

(a) prepare its returns in accordance with the Rules in this chapter, the instructional guidelines in PRU, and the requirements of the DFSA's electronic prudential reporting system; and

(b) submit the returns to the DFSA using the electronic prudential reporting system.

...

2.3.8(1) An Authorised Firm must submit to the DFSA any annual return required by Table 1 in section A2.4 of App2, within four months of the end of the Authorised Firm's financial year.

(2) An Authorised Firm must submit to the DFSA any other return required by Table 1 in Section A2.4 of App2, within one month after the end of the reporting period to which the return relates.

3. OTHER RELEVANT REGULATORY PROVISIONS

The DFSA's policy in relation to its approach to enforcement is set out in Chapter 5 of the DFSA's Regulatory Policy and Process Rulebook (RPP) (April 2022 Edition).

Chapter 6 of RPP sets out the DFSA's approach to imposing a penalty, which includes a financial penalty, and the matters the DFSA will consider when determining a penalty.