

10 June 2025

Plus Capital Limited
Office No. 3008,
30th floor, Tamouh Tower
Al Reem Island
Abu Dhabi
United Arab Emirates

Attention:

[REDACTED]

[REDACTED]

Sent by e-mail:

[REDACTED]

Dear Sirs

PENALTY IMPOSED FOR CONTRAVENTIONS OF THE FOREIGN ACCOUNT TAX COMPLIANCE REGULATIONS 2022

1. This notice is issued by the FSRA of ADGM to impose on Plus Capital Limited (“PCL”) a penalty under subsection 9(1) of the FATCA Regulations.

DEFINED TERMS

2. The meaning of any defined term used in this notice is provided either at its first occurrence in parentheses or in Annexure A.

SUMMARY

3. The FSRA considers that PCL has classified itself as a FATCA RFI for the purposes of the FATCA Regulations.
4. The FSRA considers that PCL has:
 - a. opened six (6) New Entity Accounts without collecting a valid Self-Certification from each of the Account Holders and thirteen (13) Controlling Persons; and
 - b. failed to apply due diligence procedures,and accordingly, subsection 9(1)(b) of the FATCA Regulations applies.

5. The FSRA has decided to impose a penalty of AED 59,000 on PCL pursuant to subsection 9(1) of the FATCA Regulations and the penalties set out in the FATCA Cabinet Resolution.

BACKGROUND

6. On 9 June 2023, PCL registered as a CRS RFI and FATCA RFI on the AEOI Portal.
7. On 24 June 2024, PCL submitted an Annual Return for CRS and a Nil Return for FATCA.
8. On 12 August 2024, the FSRA sent an email with a letter to PCL, informing PCL that it had been selected for a Review. The letter detailed the information that PCL would be required to provide during the Review. The FSRA requested PCL's acknowledgement of the FSRA's email by 16 August 2024. On 13 August 2024, PCL acknowledged the FSRA's email.
9. Between 13 August 2024 and 23 September 2024, the FSRA and PCL communicated on the arrangements for the Review and the required documents.
10. On 19 September 2024, the FSRA conducted the Review.

FAILURE TO COLLECT VALID SELF-CERTIFICATIONS

11. Subsection 6(1) of the FATCA Regulations requires FATCA RFIs to collect and report all information in accordance with the FATCA Regulations and the FATCA Cabinet Resolution. Article 5 of the FATCA Cabinet Resolution requires each FATCA RFI to collect and validate a Self-Certification for each New Entity Account.

Clients 1 to 6

12. The Review found that PCL had opened New Entity Accounts for Clients 1 to 6 (as identified in Annexure B to this Notice) without question 5 of the Self-Certification being completed (W8-BEN-E form). The section that was not completed is a requirement of the IGA to establish the Account Holder's status.

Client	Date account opened
1	16 February 2023
2	13 February 2023
3	29 March 2023
4	4 May 2023
5	16 October 2023
6	21 October 2023

Accordingly, the Self-Certification collected by PCL for Clients 1 to 6 was not valid.

Clients 1 to 7

13. The purpose of the FATCA Cabinet Resolution is to implement the IGA in the UAE. Annex I, subsection V, paragraph B(3)(b) of the IGA requires, if the Account Holder is a Passive NFFE, that the FATCA RFI must identify the Controlling Person(s) and determine whether any such

person is a U.S. citizen or resident on the basis of a Self-Certification from the Account Holder or such person.

14. The Review found that Clients 1 to 7 were Passive NFFEs with Controlling Persons. The Review found that PCL had not collected a Self-Certification from the following Account Holders with respect to their Controlling Persons:
 - a. Client 1, for CP1;
 - b. Client 2, for CP2;
 - c. Client 3, for CP3;
 - d. Client 4, for CP4 and CP5;
 - e. Client 5, for CP6, CP7 and CP8;
 - f. Client 6, for CP9 and CP10; and
 - g. Client 7, for CP11, CP12 and CP13.
15. Accordingly, the FSRA considers that PCL has contravened Article 5(2) of the FATCA Cabinet Resolution and subsection 6(1) of the FATCA Regulations.

FAILURE TO APPLY DUE DILIGENCE PROCEDURES

16. Subsection 7(1) of the FATCA Regulations requires FATCA RFIs to keep records of steps undertaken and any evidence relied upon for the performance of the due diligence procedures and the measures to obtain those records that the FATCA RFI obtains or creates to comply with the FATCA Cabinet Resolution and the FATCA Regulations.
17. Article 5(1) of the FATCA Cabinet Resolution requires each FATCA RFI to apply the due diligence procedures in Annex I to the IGA. Annex I, subsection V, paragraph B of the IGA sets out the due diligence requirements for New Entity Accounts, including the requirement to determine whether the Account Holder is, among other things, a Passive NFFE. Annex I subsection VI, paragraph A of the IGA states that a FATCA RFI may not rely on a Self-Certification or documentary evidence if it knows or has reason to know that it is incorrect or unreliable.
18. The Review found that PCL could reasonably have determined that Clients 1 to 6 were Passive NFFEs, with Controlling Persons, based on the Self-Certifications provided to PCL by those clients for compliance with the CRS Regulations. However, as mentioned in paragraphs 12 to 15 above, PCL failed to collect valid Self-Certifications for Clients 1 to 7, and their respective Controlling Persons. PCL also failed to provide any evidence during the Review of any steps undertaken or evidence relied upon for the performance of due diligence procedures undertaken to comply with the FATCA Cabinet Resolution and FATCA Regulations concerning Clients 1 to 7.

19. Accordingly, the FSRA considers that PCL has contravened subsection 7(1) of the FATCA Regulations.

PENALTY

20. The FSRA considers that PCL contravened subsections 6(1) and 7(1) of the FATCA Regulations, and accordingly subsection 9(1) of the FATCA Regulations applies.
21. The penalties for the relevant contraventions are set out in Articles 7(1) and 7(2) of the FATCA Cabinet Resolution.
22. The total penalty imposed by the FSRA on PCL is AED 59,000.
23. The breakdown of the penalty imposed on PCL by the FSRA is as follows:

Reference	Contravention	Penalty (AED)
Article 7(1) of the FATCA Cabinet Resolution	A FATCA RFI that fails to apply due diligence procedures as set out in Article 5(1) of the FATCA Cabinet Resolution	40,000
Article 7(2) of the FATCA Cabinet Resolution	A FATCA RFI that opens a New Individual Account or New Entity Account without collecting a valid Self-Certification Form or without validating such Self-Certification Form	1,000 per contravention X 19

PROCEDURAL MATTERS

Appeal in relation to the penalty imposed

24. Under Article 9(1) of the FATCA Cabinet Resolution, PCL has until **5:00 pm on 9 July 2025** to **appeal in writing** to the FSRA, signed by an authorised representative of PCL and setting out the grounds of appeal in relation to the penalty imposed.
25. In accordance with Article 9(2) of the FATCA Cabinet Resolution, PCL may appeal against the penalty on any one of the following grounds:
- that it did not commit the violation attributed to it;
 - the administrative penalty imposed is not proportionate to the violation; or
 - the administrative penalty imposed exceeds the limit determined for the administrative violation attributed to it in accordance with the provisions of the FATCA Cabinet Resolution.
26. Any appeal made should be addressed to:

Mr. Adrian Bock
 Executive Director – Enforcement

Financial Services Regulatory Authority
 Abu Dhabi Global Market Square
 Al Maryah Island
 Abu Dhabi
 United Arab Emirates

Email: [REDACTED]

27. If an appeal is made to the FSRA within time, the FSRA will consider the appeal and provide a written notice of its decision to PCL within sixty (60) business days of the appeal.

Manner and time for payment of penalty

28. If an appeal is not made to the FSRA, then the penalty imposed pursuant to this notice is to be paid by PCL within thirty (30) business days after the date of this notice, i.e. on or before **23 July 2025**.
29. Payment of the penalty can be made by electronic funds transfer into the following account:

Account Name	[REDACTED]
Account Number	[REDACTED]
IBAN Number	[REDACTED]
Account Type	[REDACTED]
Bank Name	[REDACTED]
Swift Code	[REDACTED]
Reference	[REDACTED]

30. If the penalty or any part of it remains outstanding on the date it must be paid, the obligation to make the payment is enforceable as a debt by the FSRA.

Publicity

31. The FSRA will generally publish information and statements relating to enforcement action in a manner we consider appropriate and proportionate. The publication of enforcement outcomes is consistent with the FSRA’s commitment to open and transparent processes and our objectives.

Yours sincerely,



Mr. Adrian Bock
Executive Director – Enforcement
Abu Dhabi Global Market Financial Services Regulatory Authority

ANNEXURE A

In this notice, unless the context otherwise requires -

ADGM	means Abu Dhabi Global Market.
AEOI portal	means the Automatic Exchange of Information portal made available by the MOF.
Account Holder	has the meaning set out in the CRS for the purposes of compliance with the CRS Regulations, and the meaning set out in the IGA, for the purposes of compliance with the FATCA Regulations.
Annual Return	means the annual information return required to be filed pursuant to the CRS Regulations or the FATCA Regulations, as applicable, and includes a Nil Return.
Controlling Person	has the meaning set out in the CRS for the purposes of compliance with the CRS Regulations, and the meaning set out in the IGA for the purposes of compliance with the FATCA Regulations.
CRS	means the Common Reporting Standard, as defined in the CRS Cabinet Resolution.
CRS Cabinet Resolution	means the UAE's Cabinet of Ministers Resolution No. 93 of 2021 Implementing Certain Provisions of the Multilateral Administrative Agreement for Automatic Exchange of Information.
CRS Regulations	means the Common Reporting Standard Regulations 2017.
CRS RFI	means a Reporting Financial Institution, as defined in the CRS Regulations.
FATCA Cabinet Resolution	Means the UAE's Cabinet of Ministers Resolution No. (63) of 2022 Concerning the Implementation of Federal Decree No. (9) of 2016 Ratifying the Agreement between the Government of the United States of America to Improve International Tax Compliance and to Implement the Foreign Account Tax Compliance Act (FATCA).
FATCA Regulations	means the Foreign Account Tax Compliance Regulations 2022.

FATCA RFI	Means a Reporting UAE Financial Institution, as defined in the FATCA Regulations.
FSRA	means the Financial Services Regulatory Authority.
IGA	has the meaning set out in the FATCA Regulations.
MOF	means the Ministry of Finance.
New Entity Account	has the meaning set out in the CRS for the purposes of compliance with the CRS Regulations, and the meaning set out in the IGA, for the purposes of compliance with the FATCA Regulations.
Nil Return	has the meaning set out in the CRS Cabinet Resolution for the purposes of compliance with the CRS Regulations, and means a Nil Report, as defined in the FATCA Cabinet Resolution, for the purposes of compliance with the FATCA Regulations.
Passive NFFE	has the meaning set out in the IGA.
Review	means a review of compliance with the CRS Regulations and/or FATCA Regulations, as applicable, in relation to RY2023
RY2023	means the 2023 reporting year for the purposes of compliance with the CRS Regulations or the FATCA Regulations, as applicable.
Self-Certification	means the self-certification required to be collected at account opening for the purposes of compliance with the CRS Regulations, or a Self-Certification Form as defined in the FATCA Cabinet Resolution for the purposes of compliance with the FATCA Regulations.