

12 September 2025

Banque Richelieu GCC Limited  
23<sup>rd</sup> floor  
Al Sila Tower  
Abu Dhabi Global Market Square  
Al Maryah Island  
Abu Dhabi  
United Arab Emirates

Attention:

[REDACTED]

[REDACTED]

Sent by e-mail:

[REDACTED]

Dear Sirs

**AMENDMENT OF DECISION IN RELATION TO PENALTY IMPOSED FOR CONTRAVENTIONS OF THE COMMON REPORTING STANDARD REGULATIONS 2017 AND THE FOREIGN ACCOUNT TAX COMPLIANCE REGULATIONS 2022**

1. On 13 June 2025, the FSRA of ADGM gave Banque Richelieu GCC Limited (“BRG”) written notice (“June Notice”) of its decision to impose a penalty pursuant to subsection 9(1) of the CRS Regulations and subsection 9(1) of the FATCA Regulations.
2. On 11 July 2025, BRG submitted an appeal against the penalty set out in the June Notice.
3. The FSRA has considered BRG’s appeal and decided to impose an amended penalty as set out in this notice. Accordingly, this notice is issued under Article 7(5) of the CRS Cabinet Resolution which applies pursuant to the CRS Regulations and Article 9(5) of the FATCA Cabinet Resolution which applies pursuant to the FATCA Regulations.

**DEFINED TERMS**

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

**SUMMARY**

5. The FSRA considers that BRG has classified itself as a CRS RFI and a FATCA RFI for the purposes of the CRS Regulations and FATCA Regulations respectively.

**FINANCIAL SERVICES REGULATORY AUTHORITY**  
سلطة تنظيم الخدمات المالية

6. The FSRA considers that BRG:
  - a. having classified itself as a CRS RFI for the purposes of the CRS Regulations:
    - i. opened an account without collecting a valid Self-Certification from one (1) Account Holder;
    - ii. failed to report information as required by the CRS Regulations in a complete and accurate manner; and
  - b. having classified itself as a FATCA RFI for the purposes of the FATCA Regulations, opened accounts without collecting a valid Self-Certification from one (1) Account Holder.
7. Accordingly, the FSRA has decided to impose a penalty of AED 12,000 on BRG pursuant to subsection 9(1) of the CRS Regulations and subsection 9(1) of the FATCA Regulations, and the penalties set out in the CRS Cabinet Resolution and FATCA Cabinet Resolution.

## **BACKGROUND**

8. On 12 June 2023, BRG registered as a CRS RFI and FATCA RFI on the AEOI Portal.
9. On 21 and 22 June 2024, BRG submitted a Nil Return for the purposes of the FATCA Regulations and an Annual Return for the purposes of the CRS Regulations, respectively.
10. On 13 August 2024, the FSRA sent an email with a letter to BRG informing BRG that it had been selected for a Review. The letter detailed the information that BRG would be required to provide during the Review. The FSRA requested BRG's acknowledgement of the FSRA's email by 16 August 2024. On 13 August 2024, BRG acknowledged the FSRA's email.
11. Between 1 October 2024 and 15 October 2024, the FSRA and BRG communicated regarding the arrangements for the Review and the required documents.
12. On 17 October 2024, the FSRA conducted the Review.

## **FAILURE TO COLLECT VALID SELF-CERTIFICATIONS FOR CRS**

13. Subsection 6(1) of the CRS Regulations requires CRS RFIs to collect and report all information in accordance with the CRS Regulations, the CRS Cabinet Resolution and the CRS.
14. Section IV subparagraph A of the CRS (New Individual Accounts) and Section VI subparagraph A of the CRS (New Entity Accounts) requires an RFI to obtain a Self-Certification from an Account Holder at account opening.

## **Client 1**

15. The Review found that BRG had opened a New Individual Account for Client 1 as identified in Annexure B to the June Notice on 7 December 2022. In its Self-Certification, Client 1 had

failed to complete the section providing jurisdiction of tax residence and TIN. Accordingly, BRG failed to validate the self-certification form of Client 1.

### **Alleged failure in relation to Client 2**

16. The Review found that BRG opened a New Entity Account for Client 2 as identified in Annexure B to the June Notice, but that on its Self-Certification dated 21 February 2023, Client 2 had failed to complete the 'Account Holder's Status' section. By failing to validate the form, BRG did not have the necessary information to determine Client 2's status for the purposes of reportability and whether Client 2 had any Controlling Persons that were reportable.
17. Accordingly, the FSRA considers that BRG has contravened subsection 6(1) of the CRS Regulations.

### **FAILURE TO REPORT IN A COMPLETE AND ACCURATE MANNER FOR CRS**

18. Section I subparagraph A(1) of the CRS requires each CRS RFI to report for each Reportable Account the name, address, jurisdiction(s) of residence, TIN(s) and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder.

### **Client 3**

19. The Review found that BRG reported an incorrect TIN for the two Account Holders of Client 3 as identified in Annexure B to the June Notice. The TIN provided by Client 3's joint Account Holders in the Self-Certification form was interchanged such that it was inaccurately reported for each of the two joint Account Holders.
20. Accordingly, the FSRA considers that BRG has contravened subsection 6(1) of the CRS Regulations.

### **FAILURE TO COLLECT VALID SELF-CERTIFICATIONS FOR FATCA**

21. 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 (as defined in the FATCA Cabinet Resolution).

### **Client 1**

22. The Review found that the Self-Certification collected for Client 1, as identified in Annexure B to the June Notice, did not contain sufficient information for BRG to establish whether Client 1 was a U.S. tax resident.
23. Accordingly, the FSRA considers that BRG has contravened subsection 6(1) of the FATCA Regulations and Article 5(2) of the FATCA Cabinet Resolution.

## CONSIDERATION OF APPEAL

24. In the June Notice, the FSRA imposed a penalty of AED 13,000 on BRG.
25. Under subsection 9(2) of the CRS Regulations and Article 7(1) of the CRS Cabinet Resolution, and subsection 9(2) of the FATCA Regulations and Article 9(1) of the FATCA Cabinet Resolution, BRG had the opportunity to appeal against the FSRA's decision set out in the June Notice.
26. On 11 July 2025, BRG submitted its appeal.
27. In its appeal, BRG asked the FSRA to take certain matters into consideration, as follows:
  - a. Client 1 does not have a TIN. Their account was never funded and presented a zero balance. BRG stated that their understanding following a previous conversation with the FSRA was that zero balances were not reportable.
  - b. As regards Client 2, the "Account Holder's Status" was completed in the prior CRS declaration dated 2021, and the Account Holder's status remained unchanged in 2023. BRG stated that the assumption taken as "Active" was based on this information and although the CRS form was not ticked, BRG is of the view that the submission itself was done correctly.
  - c. As regards Client 3, the TINs were interchanged between two individuals and both were reported. BRG has since launched a project to automate the extraction and validation of CRS/FATCA data to reduce the risk of human error.
28. The FSRA has considered each of the representations made in support of the appeal and summarises its decision as follows:
  - a. In response to BRG's representations in paragraph 27(a), the FSRA notes that the contraventions in relation to Client 1 was regarding BRG's failure to collect valid self-certifications for CRS and FATCA and not in relation to Client 1's zero balance account. BRG should have ensured that the self-certification was complete and valid, to include jurisdiction of tax residence and the reasons why a TIN was unavailable, as applicable. Section I, subparagraph 10 of the commentary to the CRS requires CRS RFIs to report the balance or value of an account as of the end of the calendar year or other appropriate reporting period, and states that an account with a balance or value that is negative must be reported as having an account balance or value equal to zero.
  - b. In response to BRG's representations in paragraph 27(b) above, the FSRA, on this occasion, accepts that Client 2's "Account Holder Status" was completed in a previous self-certification in 2021. It would be best practice for BRG to include a note on file with the self-certification or attach the earlier self-certification to the file reflecting the means by which BRG satisfied itself as to Client 2's "Account Holder Status".

- c. In response to BRG's representations in paragraph 27(c), whilst the TINs for Client 3 were reported, they were incorrectly reported for both individuals. The FSRA notes the internal action BRG is taking to ensure future compliance with the CRS and FATCA Regulations and Cabinet Resolutions.
29. In light of the foregoing, the FSRA has decided to uphold BRG's appeal in certain aspects and vary the decision set out in the June Notice by not imposing a penalty of AED 1,000 on BRG for:
- a. allegedly opening an account without collecting a valid Self-Certification from Client 2.
30. The FSRA has decided to confirm its decision in other aspects and impose a penalty of AED 12,000 on BRG for:
- a. opening an account without collecting a valid CRS self-certification from one (1) Account Holder;
  - b. failing to report information as required by the CRS Regulations in a complete and accurate manner; and
  - c. opening an account without collecting a valid FATCA self-certification from one (1) Account Holder.

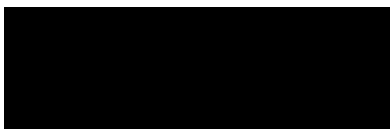
## PENALTY

31. The FSRA considers that BRG contravened:
- a. subsection 6(1) of the CRS Regulations and accordingly subsection 9(1)(b) of the CRS Regulations applies; and
  - b. subsection 6(1) of the FATCA Regulations and Article 5(2) of the FATCA Cabinet Resolution, and accordingly subsection 9(1) of the FATCA Regulations applies.
32. The penalties for the relevant contraventions are set out in Articles 5(2) and 5(4)(a) of the CRS Cabinet Resolution and Article 7(2) of the FATCA Cabinet Resolution.
33. The total penalty imposed by the FSRA on BRG is AED 12,000.
34. The breakdown of the penalty imposed on BRG by the FSRA is as follows:

| Reference                                  | Contravention   | Penalty (AED)                  |
|--|---|--------------------------------|
| Article 5(2) of the CRS Cabinet Resolution | A CRS RFI that opens an Account to an Account Holder or Controlling Person (as applicable) without obtaining a valid self-certification and/or failing to validate such self-certification. | 1,000 per contravention<br>x 1 |



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 Regulations.  |
| 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.  |
| New Individual 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.   |
| Reportable Account     | has the meaning set out in the CRS for the purposes of compliance with the CRS Regulations, and means a U.S. Reportable Account (as that term is defined in the IGA) for the purposes of compliance with the FATCA Regulations.               |
| Reportable Person      | has the meaning set out in the CRS for the purposes of compliance with the CRS Regulations, and means a Specified U.S. Person (as that term is defined in the IGA) for the purposes of compliance with the FATCA Regulations.                 |
| 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 Regulations.  |
| 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. |
| TIN | Taxpayer Identification Number (or functional equivalent in the absence of a Taxpayer Identification Number).                   |