

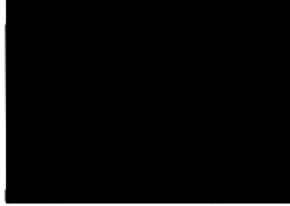


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FINAL NOTICE

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To: Mr. Khaldoon Bushnaq



Email:



Date: 21 October 2024

1. ACTION

- 1.1 This Final Notice ("Notice") is issued pursuant to Section 50 under Part 4 of the Commercial Licensing Regulations 2015 ("CLR 2015").
- 1.2 For the reasons given in this Notice, the Registration Authority ("Registration Authority") of Abu Dhabi Global Market ("ADGM") hereby imposes on Khaldoon Bushnaq ("Mr. Bushnaq") a financial penalty of **USD 16,000** ("Financial Penalty") for contravening Section 39(3) under Part 3 of CLR 2015<sup>1</sup>.
- 1.3 Mr. Bushnaq agreed to settle this matter and in recognition of settlement, the Registration Authority of the ADGM has applied a discount of 20% to the Financial Penalty imposed on Mr. Bushnaq. The cooperation of Mr. Bushnaq during the settlement discussions is duly noted.
- 1.4 This Notice is issued only to Mr. Bushnaq. Other persons may be referred to in this Notice due to their factual connection to the matters under the Notice. This Notice does not construct a determination by the Registrar or ADGM that any other person other than Mr. Bushnaq has committed a contravention of enactments or subordinate legislation of ADGM, nor is it a reflection upon any other person or entity.

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<sup>1</sup> Past version: effective from 14/06/2015 - 31/03/2024

REGISTRATION AUTHORITY  
سلطة التسجيل



## 2. EXECUTIVE SUMMARY

- 2.1 The Registration Authority decided to take the action set out in this Notice because it considers that Mr. Bushnaq concealed relevant documents from the Registration Authority, in the knowledge that an investigation was being conducted or was likely to be conducted, which he knew or suspected are or would be relevant to such investigation.
- 2.2 This matter relates to the investigation (“the Investigation”) commenced by the Registration Authority into Alma Health Platform Limited (“Alma Health”) in respect of possible contraventions of the ADGM commercial legislation. In February 2024, Alma Health changed its name to Avante Limited (“Avante”). Therefore, throughout this Notice the terms Avante and Alma Health should be seen as interchangeable.
- 2.3 On 17 March 2023, a UAE based bank (the “Bank”) sent an email to the OSR Support team of the Registration Authority to verify the authenticity of a number of documents submitted to it by Alma Health for the purpose of opening a bank account. The Bank informed the Registration Authority that it was unable to verify an Alma Health document via the Registration Authority portal, specifically a Unanimous Written Resolutions of the Company’s Board of Directors document dated 15 December 2022 (“Falsified BOD Resolution”). The Falsified BOD Resolution included a fake stamp of the Registration Authority, fake authentication code and issue date of 9 January 2023.
- 2.4 On 10 April 2023, a requirement notice was issued to Alma Health by the Registrar pursuant to Section 29 under Part 3 of CLR 2015 requiring Alma Health to produce specified information and documents (the “Requirement Notice”), in connection to the creation of the Falsified BOD Resolution.
- 2.5 The Registration Authority considers that Mr. Bushnaq concealed relevant documents when compiling responses that were subsequently provided by Alma Health to the Registration Authority in response to the Requirement Notice. The Registration Authority further considers the act of omitting such documents obfuscated the true facts and consequently increased the length of the Investigation. Given the nature of the contravention, the Registration Authority considers it appropriate in the circumstances to impose a financial penalty on Mr. Bushnaq.

## 3. DEFINED TERMS AND RELEVANT REGULATIONS

- 3.1 Defined terms are identified in the Notice in parentheses, using the capitalisation of the initial letter of a word or of each word in a phrase, and are either defined in the Regulations, or in the body of this Notice at the first instance the term is used. Unless the context otherwise requires, where capitalisation of the initial word is not used, an expression has its natural meaning.



3.2 Extracts of Regulations and Rules referred to in this Notice are attached in **Annexure A**. Complete copies of the Regulations and Rules are accessible on the ADGM website [www.adgm.com/legal-framework/rules-and-regulations](http://www.adgm.com/legal-framework/rules-and-regulations).

#### 4. FACTS AND MATTERS SUPPORTING THE DECISION

##### *Background*

4.1 On 13 January 2020, Alma Health was incorporated in ADGM and licenced to conduct the non-financial (Category B) business activities of Innovation (6210), Pharmacy (4770) and Remote Medical Consultancy (8630).

4.2 Mr. Bushnaq was the sole director of Alma Health between 13 January 2020 and 4 September 2023, after which additional directors were also appointed. Mr. Bushnaq also holds the following appointments:

- Authorised signatory (solely); and
- Shareholder and Beneficial Owner of more than 25% of the entire issued shares of Avante.

4.3 On 17 March 2023, the Bank sent an email to the OSR Support team of the Registration Authority to verify the authenticity of a number of documents submitted to it by Alma Health for the purpose of opening a bank account. The Bank informed the Registration Authority that it was unable to verify an Alma Health document via the Registration Authority's portal, specifically the Falsified BOD Resolution, which included a fake stamp of the Registration Authority, fake authentication code and issue date of 9 January 2023.

4.4 Between 3 April and 27 April 2023, the Registration Authority carried out preliminary enquiries from which it obtained information/documents from the Bank and Alma Health.

4.5 On 3 April 2023, a request for information was sent by the Enforcement team of the Registration Authority ("RA Enforcement Team") to the Bank. In response, the Bank confirmed the following:

- (i) The application documents including the Falsified BOD Resolution were submitted to the Bank by the "company authorized signatory" (i.e. Mr. Bushnaq).
- (ii) The purpose of submitting the application documents including the Falsified BOD Resolution was to open a bank account for Alma Health.



- 4.6 On 10 April 2023, the Requirement Notice was issued to Alma Health pursuant to Section 29 under Part 3 of CLR 2015, requiring it to produce specified information and documents in connection to the creation of the Falsified BOD Resolution.
- 4.7 On 13 April 2023, Mr. Bushnaq requested a meeting with the RA Enforcement Team to discuss the Requirement Notice and the meeting took place on the same day. RA Enforcement Team, Mr. Bushnaq and the appointed external legal counsel of Alma Health attended the meeting. Below are the key relevant points that were discussed during the meeting:
- (i) The appointed external legal counsel of Alma Health indicated that they were still trying to locate the Falsified BOD Resolution. The RA Enforcement Team explained that its review included a review of the record keeping of Alma Health and its policies/procedures. Therefore, in the event that Alma Health could not locate the Falsified BOD Resolution, clarification needs to be provided to the Registration Authority for the reason why it is unable to locate the Falsified BOD Resolution as part of its response to the Requirement Notice.
  - (ii) Alma Health confirmed that they had already compiled all other information and documents required under the Requirement Notice and that they would provide its response by the specified deadline of 17 April 2023.
- 4.8 On 17 April 2023, Alma Health provided its first response to the Requirement Notice (“Alma Health’s First Response”). However, Alma Health’s First Response did not fully meet the requirements under the Requirement Notice. The following issues were noted:
- (i) The Falsified BOD Resolution was not provided to the RA Enforcement Team and the response did not include any justification.
  - (ii) Alma Health’s First Response stated that the person who prepared the Falsified BOD Resolution was a “a junior administrator at the company” (“Junior Administrator”). However, the required details of full name, title and contact details were not provided as required.
  - (iii) Copies of emails had been copied and pasted into new Microsoft Word documents with incomplete text and missing attachments. None were produced in native format.
  - (iv) A Unanimous Written Resolution of the Company’s Board of Directors document dated 13 April 2023 (“13 April BOD Resolution”) which was authenticated by the Registration Authority on 14 April 2023 was also





provided. This is dated after the issuance of the Requirement Notice and no explanation of the purpose of providing this document was given, nor any indication as to which request number under the Requirement Notice it related to.

- (v) The required cover letter to be signed by Mr. Bushnaq confirming the completeness, accuracy and authenticity of the produced information and documents was not provided.

4.9 On 19 April 2023, a telephone call took place between the RA Enforcement Team and Mr. Bushnaq (the "Phone Call") during which the issues listed in paragraph 4.8 above were all communicated to Mr. Bushnaq. Further, during the Phone Call, Mr. Bushnaq confirmed that he would read the Requirement Notice carefully and resubmit the required specified information and documents. The RA Enforcement Team also advised Mr. Bushnaq that:

- (i) Non-compliance with requirement notices is a serious matter and Alma Health can be held liable for non-compliance with the Requirement Notice;
- (ii) Another opportunity will be afforded to Alma Health to fully comply with the Requirement Notice;
- (iii) Alma Health needed to ensure that complete and accurate information was provided to the RA Enforcement Team; and
- (iv) Alma Health needed to provide full information and documents about the incident (creation of the Falsified BOD Resolution) including any internal investigation report.

4.10 On 27 April 2023, Mr. Bushnaq provided the second response to the Requirement Notice ("Alma Health's Second Response").

4.11 Based on Alma Health's First Response and Alma Health's Second Response, it was confirmed that the Falsified BOD Resolution submitted to the Bank had been created by one of its company officers. However, it still remained unclear to the RA Enforcement Team who the person responsible for the falsification was due to the following reasons:

4.11.1 Alma Health's First Response stated that the person who prepared the Falsified BOD Resolution was "a junior administrator at the company". However, Alma Health's Second Response stated that the person responsible for creating the Falsified BOD Resolution was a junior administrator based in Egypt and who was responsible for the "admin work of Egypt's subsidiary" ("Alma Health Subsidiary A").



4.11.2 Alma Health's Second Response stated that the Junior Administrator was requested by an officer of Alma Health ("Alma Health Officer") to assist with the preparation of the board resolution for Alma Health. However, no supporting documents were produced that indicated any involvement of a Junior Administrator under either Alma Health's First Response or Alma Health's Second Response.

4.11.3 In fact, all documents produced establish only that the below employees of Alma Health were involved in preparing the application documents and communicating with the Bank:

- (i) Mr. Bushnaq – based on all emails produced it appears that Mr. Bushnaq was the focal contact point with the Bank for arranging and submitting the required application documents;
- (ii) Alma Health Officer – based on emails produced it appears that the role of the Alma Health Officer was limited to visiting the branch to deliver hardcopies of the application documents; and
- (iii) A Strategic Partnership Manager ("Alma Health Partnership Manager") – based on the emails produced, it appears that in January 2023 and whilst on travel in the United States, Mr. Bushnaq was following up and requesting the Alma Health Partnership Manager to arrange submission of the remaining application documents to the Bank including the Falsified BOD Resolution.

4.12 Alma Health's Second Response stated that the "junior administrator *was also requested by the [Alma Health Officer] to ensure that all documents and board resolutions necessary for the opening of bank account with [the Bank] are prepared, authenticated and provided to the [Alma Health Officer] to provide to [the Bank]*". However, no supporting emails were produced to support this claim.

4.13 Further, it appears that previous authentication requests (including the 13 April BOD Resolution) had been sent to the Registration Authority via the appointed Company Service Provider ("Appointed CSP") for Alma Health. The 13 April BOD Resolution was sent directly by Mr. Bushnaq to the Appointed CSP for authentication. Accordingly, it does not appear to be a reasonable explanation that on this occasion, a Junior Administrator based in Egypt was responsible for dealing with the preparation and authentication of the later Falsified BOD Resolution.



- 4.14 Additionally, Alma Health’s Second Response included an alleged apology email dated 23 April 2023 from an email address with the domain “@almarx.com” to Alma Health (the “Apology Email”).
- 4.15 The Registration Authority note that contrary to what the prima-facie evidence suggested at this stage, later on 12 December 2023, the Junior Administrator confirmed by email that he had sent the Apology Email and confirmed its content. However, based on the evidence reviewed by the Registration Authority, it is unable to determine if this email is a genuine admission by the Junior Administrator or an admission that has been provided falsely.

#### *RA Investigation*

- 4.16 The documents provided by Alma Health to the RA Enforcement Team undercover of Alma Health’s First Response and Alma Health’s Second Response did not corroborate its own claims that a ‘Junior Administrator’ based in Egypt had created the Falsified BOD Resolution. It appeared to the RA Enforcement Team at the time that:
- (i) Senior management at Alma Health were likely to have been involved in the document falsification;
  - (ii) Senior management at Alma Health may have caused to deliver falsified documents to the Bank; and
  - (iii) Attempts were being made to cover up the involvement of said senior management at Alma Health within the information being provided to the Registration Authority in response to the Requirement Notice.
- 4.17 On 16 May 2023, the Investigation was commenced pursuant to Section 31 under Part 3 of CLR 2015 into possible contraventions by Alma Health. On 31 May 2023, the appointment of Investigators notice was sent to Mr. Bushnaq in his capacity as the sole director of Alma Health at the time, in accordance with Section 32(2) under Part 3 of CLR 2015.
- 4.18 On 18 July 2024, the appointment of Investigators notice was sent to the ‘Junior Administrator’, giving notice that he was now a subject of the Investigation, in accordance with Section 32(2) of CLR 2015. This was based on the Apology Email and the admission received by the RA Enforcement Team from the Junior Administrator in December 2023 as referred to above.
- 4.19 On 25 September 2024, the appointment of Investigators notice was sent to Mr. Bushnaq, giving notice that he was now a subject of the Investigation, in accordance with subsection



32(2) of CLR 2015. This was based on the prima-facie evidence suggesting that he had concealed documents.

4.20 During the Investigation, information and documents were obtained from various sources on a voluntary basis and compulsory basis by exercising powers under Part 3 of CLR 2015. As a result, relevant information and documents were gathered during the Investigation including but not limited to:

- (i) Obtaining information and documents from the Bank via a request for information on 3 April 2023;
- (ii) Obtaining information and documents from Alma Health via the Requirement Notice issued on 10 April 2023, pursuant to Section 29 under Part 3 of CLR 2015;
- (iii) Obtaining information and documents from the Appointed CSP via a requirement notice issued on 2 June 2023, pursuant to Section 34(6)(b) and Section 34(7) under Part 3 of CLR 2015 (the "CSP Requirement Notice");
- (iv) Compulsory interview of the Alma Health Officer pursuant to Section 33(1) and 33(2) under Part 3 of CLR 2015, which took place on 15 June 2023 (the "Officer Interview");
- (v) Voluntary telephone call with the Junior Administrator, which took place on 7 July 2023 (the "Junior Administrator Phone Call");
- (vi) Compulsory interview of Mr. Bushnaq pursuant to Section 33(1) under Part 3 of CLR 2015, which took place on 31 August 2023 (the "Bushnaq Interview") and
- (vii) Compulsory Interview of a general manager of a subsidiary ("Alma Health General Manager") pursuant to Section 33(1) under Part 3 of CLR 2015, which took place on 14 December 2023 (the "Manager Interview").

4.21 It is of note that prior to the Bushnaq Interview on 31 August 2023, the RA Enforcement Team had attempted to schedule an earlier interview with Mr. Bushnaq. On 11 August 2023, a requirement notice was issued pursuant to Section 33(1) under Part 3 of CLR 2015. However, Mr. Bushnaq did not attend the scheduled interview due to his "travel schedule" and it was only following a number of subsequent communications from the RA Enforcement Team that Mr. Bushnaq agreed finally to attend a virtual interview, but not face to face.





*Summary of events – submission of the Falsified BOD Resolution to the Bank*

- 4.22 Alma Health admitted that the Falsified BOD Resolution had been created by the Junior Administrator and that it had been submitted twice to the Bank with the intention of opening bank accounts for Alma Health and one of its subsidiaries (“Alma Health Subsidiary B”). According to the annual accounts of Alma Health filed with the Registration Authority for the year ended 31 December 2022, Alma Health holds 49% of the shares in Alma Health Subsidiary B.
- 4.23 Based on a chain of emails submitted as part of Alma Health’s First Response, it appears that the Falsified BOD Resolution was submitted to the Bank for the first time sometime between 9 and 12 January 2023. On this occasion, the Bank appears not to have verified its authenticity with the Registration Authority and subsequently the bank account for Alma Health Subsidiary B was opened on 25 January 2023.
- 4.24 Based on a chain of emails and the bank account opening documents provided under Alma Health’s Second Response, it appears that the Falsified BOD Resolution was submitted to the Bank for a second time on or around 17 March 2023. On this occasion, the Bank contacted the Registration Authority to verify its authenticity and in response the Registration Authority confirmed that the Registration Authority stamp on the Falsified BOD Resolution was not authentic.
- 4.25 Accordingly, on 4 April 2023, the Bank informed Alma Health that it would not proceed with the account opening until the correct document had been authenticated as valid by the Registration Authority. Subsequently, Alma Health obtained an authentic certification of the 13 April BOD Resolution via its Appointed CSP from the Registration Authority. The Bank opened the bank account for Alma Health in May 2023.
- 4.26 A detailed chronology in relation to the submission of the Falsified BOD Resolution to the Bank is provided below.
- 4.26.1 On 21 December 2022, the Bank sent an email to Mr. Bushnaq requesting him to provide “Board resolution attestation from ADGM” amongst other documents for the purpose of opening a bank account for Alma Health Subsidiary B.
- 4.26.2 On 27 December 2022, Mr. Bushnaq responded to the Bank stating, “We requested the documents from ADGM and waiting for their reply”. However, as per the internal records of the Registration Authority and contrary to the email of Mr. Bushnaq, no such corporate service request had been submitted by or on behalf of Alma Health for it to authenticate any board resolution document at that time.



- 4.26.3 Between 29 December 2022 and 4 January 2023, Mr. Bushnaq sent emails to the Alma Health Manager at Alma Health requesting updates on the status of the submission of the documents to ADGM. These emails were only produced as part of Alma Health's First Response, however the content had been copied and pasted into a Microsoft Word document and they were not produced in native form, neither were they produced in full as part of Alma Health's Second Response.
- 4.26.4 On 4 January 2023, the Alma Health Manager replied to Mr. Bushnaq stating *"For the board resolution, is there any existing document that you can share so I can try to attest?"*. This email was only produced as part of Alma Health's First Response however its content had been copied and pasted into a Microsoft Word document and it was not produced in native form, neither was it produced in full as part of Alma Health's Second Response.
- 4.26.5 On 5 January 2023, Mr. Bushnaq responded to the Alma Health Manager, stating *"PFA. Review the document before submission to the bank"*. This email was directly in response to the question raised by the Alma Health Manager in regard to the board resolution. This email also stated *"Have [Alma Health Officer] submit this at [the Bank] branch asap"* in bold and red text. This email was only produced as part of Alma Health's First Response, and it was incomplete and did not include the attachment.
- 4.26.6 On 5 January 2023, the Alma Health Manager confirmed to Mr. Bushnaq *"[Alma Health Officer] submitted the 4 documents today and they said they will let us know if any further information is required"*. This email was only produced as part of Alma Health's First Response, however its content had been copied and pasted into a Microsoft Word document and it was not produced in native form, neither was it produced in full to the RA Enforcement Team as part of Alma Health's Second Response.
- 4.26.7 On 9 January 2023, the Bank sent an email to the Alma Health Officer copying Mr. Bushnaq which stated, *"Received the documents from my colleague however still Board resolution is not attested from ADGM"*. No emails were produced by Alma Health in response to this email.
- 4.26.8 On 12 January 2023 at 9:25 AM, the Bank sent an email to Mr. Bushnaq confirming *"Account opening application has been submitted, Inspection team will be calling you for the site visit"*.



- 4.26.9 On 25 January 2023, the Bank sent an email to Mr. Bushnaq confirming that the bank account for Alma Health Subsidiary B had been opened and the account details were shared.
- 4.26.10 On 7 February 2023, Mr. Bushnaq sent an email to the Bank to open a bank account for Alma Health and requested details of the documents required. The following day, on 8 February 2023, the bank provided the list of documents required to Mr. Bushnaq.
- 4.26.11 On 16 February 2023, the Alma Health Manager responded to the Bank stating, *"Please find attached requested documents"*. This email was only produced as part of Alma Health's Second Response and the attachments to it were not produced to the RA Enforcement Team.
- 4.26.12 On 16 February 2023, the Bank responded to the Alma Health Manager stating, *"kindly print the documents and visit"*.
- 4.27 Based on the chain of emails and account opening form produced, the visit to the bank took place between 16 and 17 March 2023 and the Falsified BOD Resolution was submitted by Alma Health to the Bank with other documents.
- 4.28 Subsequently, on 17 March 2023, the Bank contacted the Registration Authority to verify the authenticity of the Falsified BOD Resolution.

#### *Summary of events – Alma Health assertions*

- 4.29 Based on the letter provided by Alma Health dated 27 April 2023 (the "Alma Health Letter") as part of Alma Health's Second Response, it was claimed by Alma Health that the below events had occurred leading up to the submission of the Falsified BOD Resolution to the Bank.
- 4.29.1 The Alma Health Officer had requested the 'Junior Administrator' to assist with the preparation of the board resolution for Alma Health for the purposes of opening bank account for Alma Health Subsidiary B with the Bank *"because all the admin staff of Alma Health in Abu Dhabi were on vacation in the first week of January 2023"*.
- 4.29.2 The Junior Administrator was also requested by the Alma Health Officer *"to ensure that all documents and board resolutions necessary for the opening of bank account with [the Bank] are prepared, authenticated and provided to [Alma Health Officer] to provide to [the Bank]"*.



- 4.29.3 The Alma Health Officer told the Junior Administrator that *“the bank account must be opened at the earliest possible for urgent operations purposes”*.
- 4.29.4 The Junior Administrator *“prepared the board resolution and was trying to reach the director of Alma Health to sign the board resolution and then send it for ADGM authentication, but since the director of Alma Health was on a business trip in the United States of America and was unreachable, and in order to save time and expedite the process of opening the bank account with [the Bank], [the Junior Administrator] used old authenticated board resolutions of Alma Health which he had in his computer to falsify the Resolution of BOD and ADGM authentication stamp and sent it to [the Alma Health Officer] to provide it to [the Bank], [the Alma Health Officer] provided the same to [the Bank] without knowing that the Resolution of BOD is falsified”*.
- 4.29.5 Alma Health conducted an internal investigation (“Alma Health Internal Investigation”) and during the Alma Health Internal Investigation, the ‘Junior Administrator’ *“was asked about the ADGM authentication of the [BOD Resolution] and was confronted with [the Banks] statement and the [Requirement Notice], he admitted that he falsified the Resolution of BOD in order to save time and expedite the process of opening the bank account with [the Bank] because he was told by [the Alma Health Officer] that the bank account needs to be opened at the earliest possible”*.
- 4.29.6 Alma Health terminated the employment contract of the ‘Junior Administrator’ and engaged a law firm to take legal action against the individual.
- 4.30 The Alma Health Letter included an Egyptian telephone contact number allegedly attributed to the Junior Administrator.
- 4.31 As part of Alma Health’s Second Response, the following was also provided:
- (i) The Apology Email sent from the ‘Junior Administrator’ dated 23 April 2023 from an email address with the domain [“@almarx.com”](mailto:@almarx.com) to a Finance Manger employed by Alma Health and copying a Gmail account email address (“Gmail Email Address”) allegedly attributed the Junior Administrator.
  - (ii) Termination letter from Alma Health to the ‘Junior Administrator’ dated 24 April 2023 (“Alma Health Termination Letter”). No contact details for the ‘Junior Administrator’ were included in this letter and it contains the signature of Mr. Bushnaq.





- (iii) Termination letter from the law firm appointed by Alma Health the 'Junior Administrator' dated 20 April 2023 ("Law Firm Termination Letter"). This was the same law firm instructed to conduct the Alma Health Internal Investigation. This Law Firm Termination Letter is addressed to the 'Junior Administrator' and includes the Gmail Email Address.

#### *Alma Health Officer – Interview*

4.32 The Officer Interview took place on 15 June 2023. During the Officer Interview, the Alma Health Officer denied several assertions contained within the Alma Health Letter, most notably:

- (i) The Alma Health Officer denied the claim that he had asked the Junior Administrator to urgently prepare the Falsified BOD Resolution document.
- (ii) The Alma Health Officer denied asking the Junior Administrator to contact the Appointed CSP to authenticate BOD Resolution. The Alma Health Officer further stated that he believes that it would be Mr. Bushnaq or the Alma Health Manager who would usually contact the Appointed CSP for any authentication requests from ADGM and that it would not be the Junior Administrator.

4.33 The Alma Health Officer stated that he submitted a hard copy of the Falsified BOD Resolution to the Bank on two occasions. The first time was for opening a bank account for Alma Health Subsidiary B and he received the Falsified BOD Resolution from a driver of Alma Health in an envelope. As for the second time, the Alma Health Officer stated that the Falsified BOD Resolution was received via WhatsApp message from the Junior Administrator, and it was then printed by him and provided in hard copy to the Bank. The answers of the Alma Health Officer changed during his interview, as at the beginning he stated that he first received it via WhatsApp from the Junior Administrator, but later changed his answer to receiving the Falsified BOD Resolution from the driver of Alma Health.

4.34 Initially during the Officer Interview, it was stated the Alma Health Officer that he is not sure how the driver got the Falsified BOD Resolution. However, when the chain of emails was presented to the Alma Health Officer, he stated that Mr. Bushnaq had sent the Falsified BOD Resolution to the driver to then be provided to himself.

4.35 The Alma Health Officer stated that he does not believe that the 'Junior Administrator' would have provided the Falsified BOD Resolution to the driver as he would not have "access to the driver".



- 4.36 The Alma Health Officer stated that he does not know the Junior Administrator and he only ever received one WhatsApp message from him where he introduced himself as Alma Health employee. The Alma Health Officer believed that someone from Alma Health had provided the Junior Administrator with his contact number and requested him to make contact.
- 4.37 It was requested that the Alma Health Officer showed the RA Enforcement Team the WhatsApp message he had received from the Junior Administrator, however it was claimed by the Alma Health Officer that he had had deleted the message based on instructions from management of Alma Health not to maintain company documents on mobile phones; however the Alma Health Officer also confirmed that the mobile phone was a company issued phone.

#### *Junior Administrator Phone Call - Statements*

- 4.38 On 4 July 2023, the RA Enforcement Team attempted several times to contact the Junior Administrator via the telephone number provided undercover of the Alma Health Letter. However, the calls were being rejected and the line disconnected.
- 4.39 On 4 July 2023 at 3:04 PM, the RA Enforcement Team issued a requirement notice to the Junior Administrator pursuant to Section 33(1) of CLR 2015, requiring his attendance at a compulsory interview scheduled on 6 July 2023. This requirement notice was sent via the Gmail Email Address attributed to the Junior Administrator as part of the Alma Health's Second Response. However, no response was received, and the Junior Administrator did not attend the scheduled interview.
- 4.40 On 4 July 2023 at 4:10 PM, the RA Enforcement Team contacted the law firm that had been instructed by Alma Health to assist with contacting the Junior Administrator for his attendance at a compulsory interview. However, on 5 July 2023 via a telephone call, the law firm advised that Alma Health's team in Egypt do not have any contact details of the Junior Administrator and that they were unable to assist.
- 4.41 On 7 July 2023, the RA Enforcement Team identified contact details via open-source information for the Junior Administrator. The contact details including a mobile telephone number and email address, did not match those contact details that were provided previously by Alma Health.
- 4.42 The Junior Administrator Phone Call took place on 7 July 2023. The Junior Administrator made the following statements detailed below.



- (i) That the Gmail Email Address was associated with his work for Alma Health Subsidiary A, and it has not been available since he left his employment. Therefore, he did not receive the requirement notice issued on 4 July 2023.
- (ii) That he only worked at Alma Health Subsidiary A from November 2022 to 31 January 2023, and that he left this employment during his probation period because he received a better job offer with another company.
- (iii) That he was employed as an accountant by Alma Health Subsidiary A and was not involved in any administrative work; he was not aware of any falsified stamp of the Registration Authority used in any board resolution document.
- (iv) That his employment at Alma Health Subsidiary A was not terminated. He confirmed that he left cordially and given that it was during his probation period, no paperwork was required to leave.
- (v) That he may not be able to help further with the Investigation and *“any document that used to leave my desk are local bills but anything else or like with a stamp or something else no, this is administration’s specialty”*.

*Khaldoon Bushnaq – Interview*

- 4.43 On 11 August 2023, a requirement notice was issued to Mr. Bushnaq pursuant to Section 33(1) of CLR 2015, requiring his attendance at a compulsory interview on 17 August 2023.
- 4.44 On 15 August 2023 at 2:54 PM, the law firm instructed by Alma Health (the “Instructed Law Firm”) responded that due to the travel schedule of Mr. Bushnaq, he would not be able to attend an interview before 15 October 2023. The Instructed Law Firm further proposed that the list of questions were provided to it and answers to the questions would be sent to the RA Enforcement Team.
- 4.45 On 15 August 2023 at 4:12 PM, the RA Enforcement Team replied to the Instructed Law Firm advising that it could consider postponing the date of the interview due to exceptional circumstances. However, postponing the interview until after 15 October 2023 is unreasonable. Therefore, the RA Enforcement Team proposed that re-scheduling the interview could be considered if it were on or before 31 August 2023. Further, the RA Enforcement Team clarified that the list of questions to be asked during the compulsory interview would not be shared prior to the interview.
- 4.46 On 15 August 2023 at 5:48 PM, the Instructed Law Firm responded to the RA Enforcement Team stating the following, amongst other things:



- (i) Mr. Bushnaq will only be able to attend the interview after 15 October 2023;
- (ii) Any questions relating to the Investigation can be sent and a written statement will be provided or it will attend the interview on behalf of Mr. Bushnaq on 30 August 2023; and
- (iii) *"Bushnaq is the director of Alma Health and has no involvement with the subject of investigation, he already provided the information which he knows about the subject in the letter which we sent to you previously and has nothing to add".*

4.47 On 16 August 2023 at 6:33 PM, the RA Enforcement Team replied to the Instructed Law Firm stating that it is willing to consider any reasonable request to reschedule the compulsory interview, including any proposed date up to 1 September 2023 and a virtual interview can also be considered. Though not preferable to the RA Enforcement Team, the option of a virtual interview was offered as an accommodation to Mr. Bushnaq.

4.48 Further, it was highlighted that the Registration Authority reserves its right to take any appropriate regulatory action to address any contraventions of the commercial legislation administered by the Registration Authority and non-compliance with the requirement notice issued on 11 August 2023.

4.49 On 18 August 2023 at 12:06 PM, the Instructed Law Firm sent a further email to the RA Enforcement Team restating that Mr. Bushnaq is busy with business meetings in different countries and his involvement in the day-to-day operations of Alma Health is very limited. Further, the Instructed Law Firm said that it would revert on the availability of Mr. Bushnaq to attend a virtual interview on 31 August 2023.

4.50 On 22 August 2023 at 8:46 PM, the Instructed Law Firm confirmed the availability of Mr. Bushnaq to attend an interview on 31 August 2023. Subsequently, on 24 August 2023, a second requirement notice was issued pursuant to section 33(1) of CLR 2015 for the Mr. Bushnaq Interview.

4.51 On 31 August 2023, during the (virtual) Bushnaq Interview, Mr. Bushnaq refused for the interview to be recorded despite the Investigators' request and explanation on the need to record the interview. Accordingly, the Bushnaq Interview was not audio or video recorded. A transcript of the Bushnaq Interview was typed and signed by the Investigators who conducted the Mr. Bushnaq Interview.

4.52 Mr. Bushnaq stated the following during the Bushnaq Interview:





- (i) That he is also a director of the Alma Health Subsidiary A as per its trade licence, however he is not involved in the day-to-day operations;
- (ii) That he was not aware of who created the Falsified BOD Resolution and he relied only on the Alma Health Letter prepared by the Instructed Law Firm;
- (iii) That he was not aware of who the Junior Administrator was, and he only knows his title based on the Alma Health Letter prepared by the Instructed Law Firm;
- (iv) That when asked about the information provided by the Junior Administrator' to the RA Enforcement Team, he did not know if the Junior Administrator was an accountant or if he left is employment at Alma Health Subsidiary A during his probation period by February 2023.
- (v) That he did not know who wrote the Apology Email; and
- (vi) That he did not know if the Junior Administrator was an employee of Alma Health Subsidiary A at the time when the Alma Health Termination Letter and the Law Firm Termination Letter was issued.

4.53 Mr. Bushnaq, when questioned about the information included under the Alma Health Letter with reference to the findings of the internal investigation, stated that:

- (i) He is not aware of the list of Alma Health employees who were interviewed to arrive to the conclusion under the Alma Health Letter as the Instructed Law Firm were appointed to conduct the internal investigation.
- (ii) The findings included under the Alma Health Letter are based on the enquiries carried out by the Instructed Law Firm and he relied on the information included under the letter.

4.54 During the Bushnaq Interview, a representative of the Instructed Law Firm for Mr. Bushnaq stated that during the course of the internal investigation his law firm interviewed the Alma Health Officer, held phone call with the Alma Health Manager and that the team in Egypt at Alma Health Subsidiary A had interviewed the Junior Administrator.

4.55 During the Bushnaq Interview, Mr. Bushnaq was required to provide the name of the Alma Health Manager of Alma Health Subsidiary A. However, Mr. Bushnaq refused to answer the question and refused to provide the requested information.

*Summary of events – concealment of document(s)*

- 4.56 The RA Enforcement Team afforded to Alma Health two opportunities to ensure full compliance with the Requirement Notice. However, incomplete information and documents were submitted under Alma Health’s First Response and Alma Health’s Second Response.
- 4.57 Alma Health’s First Response was incomplete. The Registration Authority notes that for reasons unexplained by Mr. Bushnaq and contrary to the requirements set out in the Requirement Notice, the content and body of relevant emails have been copied and pasted into Microsoft Word documents. The Registration Authority considers that it was an unnecessary step to compile the information in this way, certainly when the native file would have been available, and taking such steps increases the likelihood that information may have been omitted and/or changed.
- 4.58 Alma Health’s Second Response was incomplete. It appears that some emails were omitted in their native format as requested. The Registration Authority considers that the following emails were not provided as part Alma Health’s Second Response:
- (i) On 29 December 2022, the Bank sent an email to Mr. Bushnaq requesting him to send documents including “Board resolution attestation from ADGM”;
  - (ii) On 29 December 2022 and 4 January 2023, Mr. Bushnaq sent emails to Alma Health Partnership Manager asking for an update on the “the submission of the ADGM documents”;
  - (iii) On 4 January 2023, the Alma Health Partnership Manager replied to Bushnaq stating: “We only have the attested share holder document from ADGM at the moment” and “For the board resolution, is there any existing document that you can share so I can try to attest?”;
  - (iv) On 5 January 2023 at 3:04 AM, Bushnaq responded to the Alma Health Partnership Manager with an attachment and stating: “PFA. Review the document before submission to the bank.” And “Have Afif submit this at [the Bank] branch asap.”. Further, the attachment was not produced to the Registration Authority;
  - (v) On 5 January 2023 at 3:37 PM, the Alma Health Partnership Manager confirmed to Bushnaq “[Alma Health Officer] submitted the 4 documents today and they said they will let us know if any further information is required”; and



- (vi) On 10 January 2023, Bushnaq forwarded [the Bank's] email in which they have advised that the "Board resolution is not attested from ADGM" to Bushnaq. No content appears for this email
- 4.59 The Registration Authority notes that the Cover letter and Response Letter dated 27 April 2023 signed by Mr. Bushnaq states, "I am writing to confirm that the information which we have enclosed to this letter is true and accurate to the best of our knowledge".
- 4.60 During the Bushnaq Interview, the RA Enforcement Team asked Mr. Bushnaq for explanations on the omitted emails and documents.
- (i) The RA Enforcement Team asked Mr. Bushnaq for explanations on why the emails on 29 December 2022 and 4 January 2023 (referenced above) had not been provided in native format undercover of Alma Health's Second Response. Mr Bushnaq responded with the following statements "I don't know. My assumption is that it was not sent by mistake" and "Must be by mistake. I don't know";
- (ii) The RA Enforcement Team asked Mr. Bushnaq what the attachment was to the email that he had sent to the Alma Health Partnership Manager on 5 January 2023 at 3:04 AM (reference above), that states "PFA. Review the document before submission to the bank" and "Have [Alma Health Officer] submit this at [the Bank] branch asap.". Mr. Bushnaq responded with the following statement "I don't remember but it must have been the board resolution but without the fake stamp";
- (iii) The RA Enforcement Team asked Mr. Bushnaq what the four documents were referenced in the email sent by the Alma Health Partnership Manager to him on 5 January 2023 at 3:37 PM (reference above), that states "[Alma Health Officer] submitted the 4 documents today and they said they will let us know if any further information is required". Mr. Bushnaq responded that he did not know.
- (iv) The RA Enforcement Team asked Mr. Bushnaq about the gap in the email correspondence between 9 to 12 January 2023. Mr. Bushnaq responded "I was under the impression everything properly submitted to the RA."
- 4.61 In addition to the above, the RA Enforcement Team asked Mr. Bushnaq to also explain the statement in the Alma Health Letter that the Junior Administrator "was also requested by the [Alma Health Officer] to ensure that all documents and board resolutions necessary for the opening of bank account with [the Bank] are prepared, authenticated and provided to the



*public relation officer to provide to [the Bank]" yet based on the emails referenced under paragraphs 4.58 [and 4.63], it was the Alma Health Partnership Manager who had sent the request to the Appointed CSP. Mr. Bushnaq stated "Maybe duplicate efforts going on – they were not coordinating with each other".*

4.62 Further, during the Bushnaq interview and relevant to the contravention, Mr. Bushnaq refused to provide key information that the Investigators considered to be relevant to the Investigation. Mr. Bushnaq refused to provide the name of the Alma Health General Manager.

4.63 In response to the CSP Requirement Notice, the Appointed CSP of Alma Health provided the following copies of correspondence to the RA Enforcement Team that were not provided by Alma Health undercover of its own responses:

(i) An email dated 9 January 2023 sent at 4:18 PM, from the Alma Health Partnership Manager the Appointed CSP attaching the resolution of board of directors but without the falsified stamp of the Registration Authority and requesting attestation by ADGM.

(ii) An email dated 10 January 2023 sent at 09:36 AM, from the Appointed CSP to the Alma Health Partnership Manager, stating *"we have noted that the Board Resolution has been titled as "UNANIMOUS WRITTEN RESOLUTIONS OF THE COMPANY'S BOARD OF DIRECTORS" and signed by some of the shareholders and directors of the Entity. As such as per our records/filed with the ADGM, Mr. Khaldoon Bushnaq is the sole director of ALMA HEALTH PLATFORM LIMITED, please confirm if there have been any addition of Directors to the Entity? If not, could you please amend the Resolution to state "UNANIMOUS WRITTEN RESOLUTIONS OF THE COMPANY'S SOLE OF DIRECTOR" and have it executed by Mr. Khaldoon alone"*.

(iii) An email dated 10 January 2023 sent at 09:44 AM, from the Alma Health Partnership Manager to the Appointed CSP stating, *"Let me clarify this please and get back to you"*.

4.64 Mr. Bushnaq was questioned during the Bushnaq Interview about the reason for not providing the RA Enforcement Team with the relevant chain of emails described above under paragraph 4.63. Mr. Bushnaq stated *"We need to ask the law firm – I don't know"*.

4.65 It was confirmed by the Appointed CSP to the RA Enforcement Team undercover of a letter dated 8 June 2023 that there was no further communication from Alma Health about attesting the aforementioned version of the resolution of board of directors.





4.66 The following concerns exist in relation to Alma Health's Second Response:

- (i) Potential concealment of senior management at Alma Health, including Mr. Bushnaq, being involved in submitting the documents required by the Bank to open bank accounts.
- (ii) Based on the chronology of communications between the Bank and Alma Health, the Falsified BOD Resolution appears to have been falsified between 9 January 2023 to 12 January 2023 (between the email from the Bank stating that the board resolution document is not attested by ADGM and the Bank's email confirming that all application documents have been submitted). However, no emails were produced by Alma Health to the RA Enforcement Team in relation to the Falsified BOD Resolution during this period and it appears that some emails were deleted from the chain of emails produced under Alma Health's Second Response.
- (iii) It appears that Mr. Bushnaq sent a board of directors resolution to the Alma Health Partnership Manager for submission to the Bank but the attachment is missing and was not shared with the RA Enforcement Team.
- (iv) Based on all chain of emails submitted by Alma Health in response to the Requirement Notice, there appears to be no involvement from the Junior Administrator in any email and not a single correspondence was produced that includes the Junior Administrator or his name.

4.67 Further, despite the second opportunity afforded by the RA Enforcement Team to Alma Health to comply fully with the Requirement Notice, it appears that Alma Health may have provided false and misleading information in response to the Requirement Notice to conceal the identity of the person responsible for the creation of the Falsified BOD Resolution as indicated by the following:

- (i) Inaccurate or invalid contact details were provided to the RA Enforcement Team claiming that they belong to the Junior Administrator. The email address provided by Alma Health in response to the Requirement Notice was confirmed by the Junior Administrator to be invalid. The phone number was also invalid and the RA Enforcement Team were not able to contact the Junior Administrator via the phone number provided by Alma Health. Mr. Bushnaq was questioned during the Bushnaq Interview about the contact details provided and he stated that the law firm prepared the Alma Health Letter including the contact details provided and that it is not his responsibility to find out how the information was obtained.



- (ii) Alma Health Termination Letter and Law Firm Termination Letter are both dated April 2023, the same month that the Junior Administrators' employment was allegedly terminated following the findings of the Alma Health Internal Investigation. However, the Junior Administrator stated that his employment was not terminated, and that he had left voluntary at the end of January 2023. Accordingly, it appears that the Alma Health Termination Letter and Law Firm Termination Letter may have been retrospectively created, falsified and provided to the RA Enforcement Team.
- (iii) The Apology Email is claimed to have been written by the Junior Administrator and sent in April 2023. However, the Junior Administrator stated to the RA Enforcement Team that he was not involved in the creation of the Falsified BOD Resolution. Accordingly, it appeared at the time that the Apology Email might be falsified and provided to the RA Enforcement Team.

4.68 Contradictory statements were made by the different parties during the Investigation:

- (i) The Alma Health Letter stated that the Junior Administrator provided the Alma Health Officer with the Falsified BOD Resolution to be provided to the Bank for the purpose of opening a bank account for Alma Health Subsidiary B. However, The Bank stated that the account opening application documents including the Falsified BOD Resolution were submitted to it by the "*company authorized signatory*" (i.e. Mr. Bushnaq).
- (ii) The Alma Health Officer stated that Alma Health's driver had provided him with the Falsified BOD Resolution in an envelope to be submitted to the Bank for the purpose of opening a bank account for Alma Health Subsidiary B and that he submitted the documents to the Bank. The Alma Health Officer believes that Mr. Bushnaq provided the Falsified BOD Resolution to the driver to be given to him.
- (iii) The Alma Health Officer denied the claims made within the Alma Health Letter that he had asked the Junior Administrator to prepare the BOD Resolution or to urgently prepare any documents for submission to the Bank.
- (iv) Alma Health Letter stated that the Junior Administrator was a "*junior administrator*". However, the Junior Administrator stated that he was an accountant at Alma Health Subsidiary A and not involved in any administrative matters. Further, the Junior Administrators' CV indicates that he has been an accountant throughout his career.



- (v) Mr. Bushnaq claimed that he is not aware of who submitted the Falsified BOD Resolution to the Bank or who the Junior Administrator was, and he only relied on the Alma Health Letter prepared by the law firm. Mr. Bushnaq further claimed that he spoke with the Alma Health General Manager to identify who create the Falsified BOD Resolution.

4.69 The RA Enforcement Team also consider it relevant to the above facts, although not directly relevant to the contravention, that Mr. Bushnaq failed to comply with the requirement notice issued to him on 11 August and did not attend the interview scheduled on 17 August 2023, due to his "travel schedule". The RA Enforcement Team were attempting to schedule another compulsory interview with Mr. Bushnaq based on his availability in the month of August 2023 and Mr. Bushnaq was requesting to schedule the compulsory interview after two months (i.e. after 15 October 2023). Only after several communications from the RA Enforcement Team including offering a virtual interview (rather than physical), Mr. Bushnaq agreed to a virtual interview on 31 August 2023.

4.70 Relevant to the contravention, Mr. Bushnaq refused to provide key information during the Bushnaq Interview that the RA Enforcement Team considered to be relevant to the Investigation pursuant to Section 33(1)(b) of CLR 2015. Mr. Bushnaq claimed that the information provided to the RA Enforcement Team had been obtained from the Alma Health General Manager and he is not aware of how the Instructed Law Firm arrived at the findings of the Alma Health Internal Investigation.

4.71 Ultimately, Mr. Bushnaq signed the Alma Health Letter provided to the RA Enforcement Team in response to the Requirement Notice confirming its completeness and accuracy in his capacity as the sole director of Alma Health at the time. However, it was evident during the Bushnaq Interview that he did not take adequate steps to confirm the accuracy of the information contained under the Alma Health Letter prior to submitting it to the RA Enforcement Team. Further, it appears that key documents had been deliberately omitted for the reasons explained above.

## 5 CONTRAVENTIONS

5.1 Based on the facts and matters noted above, the Registrar considers that Mr. Bushnaq contravened Section 39(3) under Part 3 of CLR 2015 by concealing relevant documents in the knowledge that an investigation was being conducted or was likely to be conducted, which he knew or suspected are or would be relevant to such investigation.

5.2 The relevant extract of Section 39(3) under Part 3 of CLR 2015 is set out in Annexure A to this Notice.



5.3 A person who contravenes Section 39(3) under Part 3 of CLR 2015<sup>2</sup> is liable to a fine not exceeding level 6 on the standard fines scale which is up to USD 20,000. Therefore, Mr. Bushnaq can be liable to a financial penalty of up to the aforementioned amount.

## 6 SANCTIONS

### Financial Penalties

6.1 In deciding whether to take the action set out in this Notice, the Registrar has taken into account the factors and considerations contained within the Decision Procedures, Disqualification and Enforcement Manual (the "Manual").

6.2 With reference to 4.7 of the Manual, the Registrar considers the following factors to be of particular relevance in this matter:

- (a) To promote compliance with the commercial regulation and achieve the Registrar's objectives by:
  - (i) penalising persons who have committed contraventions;
  - (ii) deterring persons that have committed or may commit similar contraventions; and
  - (iii) depriving persons of any benefit that they may have gained as a result of their contraventions;
- (b) the nature and seriousness of the contraventions as set out below; and
- (c) the deterrent effect of the action and the importance of deterring Mr. Bushnaq and others from committing further or similar contraventions.

6.3 The Registrar has concluded that a financial penalty is the most appropriate action given the circumstances of this matter and the seriousness of the contravention.

### Determination of the level of financial penalty

6.4 In determining the appropriate level of financial penalty, the Registration Authority has taken into account the factors and considerations below with reference to 4.8-4.9 and 4.10-4.29 (inclusive) of the Manual as follows.

<sup>2</sup> Past version: effective from 14/06/2015 - 31/03/2024





*Seriousness*

6.5 The Registration Authority considers that the contravention by Mr. Bushnaq is serious due to the following:

- (a) The conduct of Mr. Bushnaq adversely affected the Investigation. Conduct of this type harms the ability of the Registration Authority to investigate suspected contraventions effectively.
- (b) By concealing relevant documents from the Registration Authority, Mr. Bushnaq prolonged the Investigation and caused the Registration Authority to incur increased costs.
- (c) Limited steps were taken by Mr. Bushnaq to provide full information and documents in the requested format which may have sought to remedy the matter.
- (d) The Registrar's power to gather information from licenced persons is significantly important to its ability to discharge its function and meet its regulatory priorities. Concealing documents relevant to an investigation has potential to obfuscate the true facts and the act of concealment involves hiding or preventing something from being known. The Registration Authority expects full transparency from licenced persons and all officers.

*Deliberate or reckless*

6.6 The Registration Authority considers that Mr. Bushnaq acted deliberately due to the following:

- (a) There were two responses provided by Mr. Bushnaq on behalf of Alma Health and both contained incomplete information. Mr. Bushnaq has not provided any reasonable explanation for providing incomplete information.
- (b) The centre of this matter concerns the falsification of a document that purported to be authenticated by the Registration Authority, when in fact, it had not. It is considered more likely than not that the contravention was deliberately committed with the intention of reducing the likelihood of identifying the true responsible person for creating the falsified document.

*Whether the person is an individual*

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- 6.7 Mr. Bushnaq is an individual. However, Mr. Bushnaq was the sole director of Alma Health at the relevant time and remains to be the ultimate beneficial owner. Therefore, this factor has not been considered for the purposes of reducing the financial penalty.

#### *Effect on third parties*

- 6.8 The facts of this matter show that a falsified document that purported to be authenticated by the Registration Authority had been submitted on two occasions to a financial institution within the United Arab Emirates. As a consequence, on one occasion it resulted in a bank account being opened based, in part, on a falsified document. This may adversely impact the banks reputation and question the strength of its processes for account opening.

#### *Deterrence*

- 6.9 Deterrence is one of the main purposes of taking enforcement action. That is, deterring persons who have committed contraventions from committing further contraventions, and deterring others from committing similar contraventions.
- 6.10 The Registration Authority has considered the need to ensure that any financial penalty imposed has the appropriate deterrent effect. The contravention committed by Mr. Bushnaq is serious. In this regard, consideration has been given to an appropriate amount of the financial penalty in order to ensure that the deterrent effect of the action is not diminished.

#### *Financial gain or loss avoided*

- 6.11 This factor has not been considered as relevant because the Registration Authority has not identified any financial benefit to Mr. Bushnaq as a result of his conduct.

#### *Subsequent conduct*

- 6.12 During the course of the Investigation, Avante did not provide the Registration Authority with the level of cooperation that would have enabled the Registration Authority to carry out the Investigation in a timelier manner. As a result, the Investigation became protracted.

#### *Disciplinary record and compliance history*

- 6.13 The Registration Authority has considered the disciplinary record of Mr. Bushnaq. At the time of the contravention and to the best of the knowledge of the Registration Authority, Mr. Bushnaq has no disciplinary record nor is the Registration Authority aware of any other concerns in relation to Mr. Bushnaq.

### *Maximum Penalty*

6.14 In determining the appropriate amount of a financial penalty, notwithstanding all other considerations, the Registration Authority shall not exceed the prescribed maximum penalty per contravention. The maximum penalty for contravention of Section 39 under Part 4 of CLR 2015 is level 6 which is up to USD 20,000.

### *Settlement Discount*

6.15 The Registration Authority and Mr. Bushnaq have reached agreement on the relevant facts and action to be taken by the Registration Authority. In recognition of Mr. Bushnaq agreeing to settle this matter, the Registration Authority has applied a 20% discount. The cooperation of Mr. Bushnaq during the settlement discussions is duly noted.

6.16 Accordingly, the Registration Authority has decided to impose the following financial penalty on Mr. Bushnaq:

- **USD 16,000**

## **7 PROCEDURAL MATTERS**

### **Settlement Agreement**

7.1 The Registration Authority and Mr. Bushnaq have reached agreement on the relevant facts and the action to be taken.

7.2 In accordance with the Settlement Agreement, Mr. Bushnaq agreed to waive and not exercise the right to:

- a) Seek the issuance of a warning notice pursuant to Section 43 under Part 4 of CLR 2015;
- b) Make representations to the Registrar in response to any warning notice served in relation to this matter as provided by Section 47(2) under Part 4 of CLR 2015;
- c) Seek the issuance of any decision notice pursuant to Section 44 under Part 4 of CLR 2015;
- d) Access the material of which the Registration Authority has relied upon in taking the decision pursuant to Section 53 of CLR 2015; and

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- e) Judicial review of the decision contained under this Notice by the ADGM Courts pursuant to Section 44(4) under Part 4 of CLR 2015.

#### Payment of the financial penalty

- 7.3 The Financial Penalty imposed must be paid as agreed. If all or any part of the Financial Penalty remains outstanding on the date by which it must be paid, the Registration Authority may recover the outstanding amount as a debt owed by Mr. Bushnaq and due to the Registration Authority.

#### Publicity

- 7.4 In accordance with Section 51(5) under Part 4 of the CLR 2015, the Registrar must publish such information about the matter to which a final notice relates as it considers appropriate.

Signed:



Hamad Al Mazrouei  
Chief Executive Officer  
Registration Authority





## ANNEXURE A

### EXTRACTS OF THE REGULATIONS AND RULES REFERRED TO IN THIS NOTICE

#### EXTRACT OF THE *COMMERCIAL LICENSING REGULATIONS 2015*

#### PART 3: INFORMATION GATHERING AND INVESTIGATIONS

##### 30. Appointment of persons to carry out general investigations

(1) If it appears to the Registrar that there is good reason for doing so, it may appoint one or more competent persons to conduct an investigation on its behalf into –

- (a) the nature, conduct or state of the business of a licensed person;
- (b) a particular aspect of that business; or
- (c) the ownership or control of a licensed person.

(2) If a person appointed under subsection (1) thinks it necessary for the purposes of his investigation, he may also investigate the business of a person who is or has at any relevant time been –

- (a) a member of the group of which the person under investigation ("A") is part; or
- (b) a partnership of which A is a member.

(3) If a person appointed under subsection (1) decides to investigate the business of any person under subsection (2) he must give that person written notice of his decision.

(4) The power conferred by this section may be exercised in relation to a former licensed person but only in relation to –

- (a) business carried on at any time when he was a licensed person; or
- (b) the ownership or control of a former licensed person at any time when he was a licensed person.

(5) "Business" includes any part of a business even if it does not consist of carrying on controlled activities.

##### 31. Appointment of persons to carry out investigations in particular cases

(1) Subsection (2) applies if it appears to the Registrar that there are circumstances suggesting that a person may have committed a contravention of any enactment or subordinate legislation where such contravention is punishable by a fine.

(2) The Registrar may appoint one or more competent persons to conduct an investigation on its behalf.

##### 32. Investigations: general

(1) This section applies if the Registrar appoints one or more competent persons ("investigators") under sections 30 or 31 to conduct an investigation on its behalf.

(2) The Registrar must give written notice of the appointment of an investigator to the person who is the subject of the investigation ("the person under investigation").

(3) Subsections (2) and (9) do not apply if the investigator is appointed as a result of section 31 and the Registrar believes that the notice required by subsections (2) or (9) would be likely to result in the investigation being frustrated.

(4) A notice under subsection (2) must –

- (a) specify the provisions under which, and as a result of which, the investigator was appointed; and
- (b) state the reason for his appointment.

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- (5) Nothing prevents the Registrar from appointing a person who is a member of its staff as an investigator.
- (6) An investigator must make a report of his investigation to the Registrar.
- (7) The Registrar may, by a direction to an investigator, control –
- (a) the scope of the investigation;
  - (b) the period during which the investigation is to be conducted;
  - (c) the conduct of the investigation; and
  - (d) the reporting of the investigation.
- (8) A direction may, in particular –
- (a) confine the investigation to particular matters;
  - (b) extend the investigation to additional matters;
  - (c) require the investigator to discontinue the investigation or to take only such steps as are specified in the direction;
  - (d) require the investigator to make such interim reports as are so specified.
- (9) If there is a change in the scope or conduct of the investigation and, in the opinion of the Registrar, the person subject to investigation is likely to be significantly prejudiced by not being made aware of it, that person must be given written notice of the change.

### 33. Powers of persons appointed under section 30

- (1) An investigator may require the person who is the subject of the investigation ("the person under investigation") or any person connected with the person under investigation –
- (a) to attend before the investigator at a specified time and place and answer questions; or
  - (b) otherwise to provide such information as the investigator may require.
- (2) An investigator may also require any person to produce at a specified time and place any specified documents or documents of a specified description.
- (3) A requirement under subsections (1) or (2) may be imposed only so far as the investigator concerned reasonably considers the question, provision of information or production of the document to be relevant to the purposes of the investigation.
- (4) For the purposes of this section, a person is connected with the person under investigation ("A") if he is or has at any relevant time been –
- (a) a member of A's group;
  - (b) a controller of A;
  - (c) a partnership of which A is a member; or
  - (d) in relation to A, a person mentioned in Part 1 or Part 2 of the Schedule.
- (5) "Investigator" means a person conducting an investigation under section 30.
- (6) "Specified" means specified in a notice in writing.



#### 34. Additional power of persons appointed as a result of section 31

- (1) An investigator has the powers conferred by section 33.
- (2) An investigator may also require a person who is neither the subject of the investigation ("the person under investigation") nor a person connected with the person under investigation –
  - (a) to attend before the investigator at a specified time and place and answer questions; or
  - (b) otherwise to provide such information as the investigator may require for the purposes of the investigation.
- (3) A requirement may only be imposed under subsection (2) if the investigator is satisfied that the requirement is necessary or expedient for the purposes of the investigation.
- (4) "Investigator" means a person appointed as a result of section 31.
- (5) Subsections (6) to (8) apply if an investigator considers that any person ("A") is or may be able to give information which is or may be relevant to the investigation.
- (6) The investigator may require A –
  - (a) to attend before him at a specified time and place and answer questions; or
  - (b) otherwise to provide such information as he may require for the purposes of the investigation.
- (7) The investigator may also require A to produce at a specified time and place any specified documents or documents of a specified description which appear to the investigator to relate to any matter relevant to the investigation.
- (8) The investigator may also otherwise require A to give him all assistance in connection with the investigation which A is reasonably able to give.
- (9) "Specified" means specified in a notice in writing.

#### 35. Admissibility of statements made to investigators

- (1) A statement made to an investigator by a person in compliance with an information requirement is admissible in evidence in any proceedings, so long as it also complies with any requirements governing the admissibility of evidence in the circumstances in question.
- (2) "Investigator" means a person appointed under sections 30 or 31.
- (3) "Information requirement" means a requirement imposed by an investigator under sections 33, 34 or 36.

#### 36. Information and documents: supplemental provisions

- (1) If the Registrar or an investigator has power under this Part to require a person to produce a document but it appears that the document is in the possession of a third person, that power may be exercised in relation to the third person.
- (2) If a document is produced in response to a requirement imposed under this Part, the person to whom it is produced may –
  - (a) take copies or extracts from the document; or
  - (b) require the person producing the document, or any relevant person, to provide an explanation of the document.
- (3) A document so produced may be retained for so long as the person to whom it is produced considers that it is necessary to retain it (rather than copies of it) for the purposes for which the document was requested.
- (4) If the person to whom a document is so produced has reasonable grounds for believing –
  - (a) that the document may have to be produced for the purposes of any legal proceedings; and
  - (b) that it might otherwise be unavailable for those purposes, it may be retained until the proceedings are concluded.
- (5) If a person who is required under this Part to produce a document fails to do so, the Registrar or an investigator may require him to state, to the best of his knowledge and belief, where the document is.



- (6) A lawyer may be required under this Part to furnish the name and address of his client.
- (7) No person may be required under this Part to disclose information or produce a document in respect of which he owes an obligation of confidence by virtue of carrying on the business of banking unless –
- (a) he is the person under investigation or a member of that person's group;
  - (b) the person to whom the obligation of confidence is owed is the person under investigation or a member of that person's group;
  - (c) the person to whom the obligation of confidence is owed consents to the disclosure or production; or
  - (d) the imposing on him of a requirement with respect to such information or document has been specifically authorised by the Registrar.
- (8) If a person claims a lien on a document, its production under this Part does not affect the lien.
- (9) "Relevant person", in relation to a person who is required to produce a document, means a person who –
- (a) has been or is or is proposed to be a director or controller of that person;
  - (b) has been or is an auditor of that person;
  - (c) has been or is an actuary, accountant or lawyer appointed or instructed by that person; or
  - (d) has been or is an employee of that person.
- (10) "Investigator" means a person appointed under sections 30 or 31.

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### 39. Contraventions (Past version: effective from 14/06/2015 - 31/03/2024)

- (1) If a person other than the investigator ("the defaulter") fails to comply with a requirement imposed on him under this Part the person imposing the requirement may certify that fact in writing to the court.
- (2) If the court is satisfied that the defaulter failed without reasonable excuse to comply with the requirement, it may deal with the defaulter (and in the case of a body corporate, any director or other officer) as if he were in contempt.
- (3) A person who knows or suspects that an investigation is being or is likely to be conducted under this Part commits a contravention of these Regulations if –
- (a) he falsifies, conceals, destroys or otherwise disposes of a document which he knows or suspects is or would be relevant to such an investigation; or
  - (b) he causes or permits the falsification, concealment, destruction or disposal of such a document, unless he shows that he had no intention of concealing facts disclosed by the documents from the investigator.
- (4) A person who, in purported compliance with a requirement imposed on him under this Part - (a) provides information which he knows to be false or misleading in a material particular; or (b) recklessly provides information which is false or misleading in a material particular, commits a contravention of these Regulations.
- (5) A person who commits either of the contraventions set out in subsections (3) and (4) shall be liable to a fine not exceeding level 6 on the standard fines scale.
- (6) Any person who intentionally obstructs the exercise of any rights conferred by a warrant under section 37 commits a contravention of these Regulations and shall be liable to a fine not exceeding level 5 on the standard fines scale.





## PART 4: ENFORCEMENT

### 40. Meaning of "relevant requirement"

In this Part, "relevant requirement" means a requirement imposed by rules made under these Regulations.

### 50. Final notices

(1) If the Registrar has given a person a decision notice and the matter was not referred to the court within 28 days of that person receiving the notice or such other period as the court may allow, the Registrar must, on taking the action to which the decision notice relates, give the person concerned and any person to whom the decision notice was copied a final notice.

(2) If the Registrar has given a person a decision notice and the matter was referred to the court, the Registrar must, on taking action in accordance with any directions given by —

- (a) the court, or
  - (b) the Court of Appeal on an appeal against the decision of the court,
- give that person and any person to whom the decision notice was copied the notice required by subsection (3).

(3) The notice required by this subsection is —

- (a) in a case where the Registrar is acting in accordance with a direction given by the court, or by the Court of Appeal on an appeal from a decision of the court, a further decision notice; and
- (b) in any other case, a final notice.

(4) A final notice must —

- (a) give details of the action being taken;
- (b) state the date on which the action is to be taken; and
- (c) if it imposes a fine, state the amount of the fine and the manner in which, and the period within which, the fine is to be paid.

(5) The period stated under subsection (4)(c) may not be less than 30 days beginning with the date on which the final notice is given.

(6) If all or any of the amount of a fine payable under a final notice is outstanding at the end of the period stated under subsection (4)(c), the Registrar may recover the outstanding amount as a debt due to it.

### 51. Publication

(1) In the case of a warning notice, neither the Registrar nor a person to whom it is given or copied may publish the notice or any details concerning it.

(2) A person to whom a decision notice is given or copied may not publish the notice or any details concerning it unless the Registrar has published the notice or those details.

(3) A notice of discontinuance must state that, if the person to whom the notice is given consents, the Registrar may publish such information as it considers appropriate about the matter to which the discontinued proceedings related.

(4) A copy of a notice of discontinuance must be accompanied by a statement that, if the person to whom the notice is copied consents, the Registrar may publish such information as it considers appropriate about the matter to which the discontinued proceedings related, so far as relevant to that person.

(5) The Registrar must publish such information about the matter to which a decision notice or final notice relates as it considers appropriate.

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- (6) When a supervisory notice takes effect, the Registrar must publish such information about the matter to which the notice relates as it considers appropriate.
- (7) The Registrar may not publish information under this section if, in its opinion, publication of the information would be –
- (a) unfair to the person with respect to whom the action was taken (or was proposed to be taken);
  - (b) detrimental to the interests of participants of the Abu Dhabi Global Market; or
  - (c) detrimental to the interests of the Abu Dhabi Global Market.
- (8) Information is to be published under this section in such manner as the Registrar considers appropriate.
- (9) For the purposes of determining when a supervisory notice takes effect, a matter to which the notice relates is open to review if –
- (a) the period during which any person may refer the matter to the court is still running;
  - (b) the matter has been referred to the court but has not been dealt with;
  - (c) the matter has been referred to the court and dealt with but the period during which an appeal may be brought against the court's decision is still running; or
  - (d) such an appeal has been brought but has not been determined.
- (10) "Notice of discontinuance" means a notice given under section 49.
- (11) "Supervisory notice" has the same meaning as in section 54.
- (12) A person, other than the Registrar, who contravenes subsections (1) or (2) shall be liable to a fine not exceeding level 3 on the standard fines scale.