



FINAL NOTICE

To: Mr. Khaldoon Bushnaq



Email:



Date: 21 October 2024

1. ACTION

- 1.1 This Final Notice ("Notice") is issued pursuant to Section 936 under Part 31 of the Companies Regulations 2020 ("CR 2020").
- 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 300** ("Financial Penalty") for contravening Section 998 under Part 33 of CR 2020, specifically by failing to take adequate precautions to guard against the falsification of company records.
- 1.3 Mr. Bushnaq agreed to settle this matter. 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.

2. EXECUTIVE SUMMARY

- 2.1 The Registration Authority decided to take the action set out in this Notice because it considers that Mr. Bushnaq failed to take adequate precautions to guard against the falsification of company records.

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- 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 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, authentication code and issue date of 9 January 2023.
- 2.4 The Registration Authority considers that Mr. Bushnaq failed to take adequate precautions to guard against the falsification of company records. As a consequence, the Falsified BOD Resolution containing a fake stamp of the Registration Authority was submitted to the Bank on two occasions. 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.

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 Registration Authority's portal, specifically the Falsified BOD Resolution, which included a fake stamp of the Registration Authority, 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, a requirement notice was issued to Alma Health pursuant to Section 29 under Part 3 of CLR 2015 ("Requirement Notice"), 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.

RA Investigation

4.12 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.

4.13 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; and



- (iii) 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”).

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

- 4.14 Alma Heath admitted that the Falsified BOD Resolution had been created by a 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.
- 4.15 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.
- 4.16 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.
- 4.17 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.

Summary – failing to take adequate precautions to guard against the falsification of company records

- 4.18 Alma Health submitted the Alma Health First Response undercover of an email dated 17 April 2023 which states, “The Company does not have a written policy to prevent or discover the falsification of Company documents and records” and “the Company will (1) create a policy to prevent this unfortunate incident from occurring again in the future; (2) appoint a senior compliance officer to implement and oversee this policy; and (3) only use registered courier service providers to deliver any confidential or sensitive documents.”



- 4.19 Alma Health submitted the Alma Health Second Response under cover of a letter dated 27 April 2023. Annexure 6 of that letter states, "Alma Health does not currently have policies, procedures, systems and controls in place to prevent falsification of Alma Health documents/records and discover of falsification of the company documents/records because it was focusing on the rapid expansion of the company". Further, it states "Alma health has engaged a reputable law firm to immediately work on the following" and then lists various areas including governance, risk management, internal controls, and compliance.
- 4.20 During the Bushnaq Interview, the RA Enforcement Team asked Mr. Bushnaq if he would like to provide further statements regarding to the systems and controls of Alma Health, prior to the incident resulting in the creation of the Falsified BOD Resolution. Mr. Bushnaq responded that he did not have anything further to add and stated "...we were focused on expansion. We did not have systems and controls in place". Further, it was confirmed by Mr. Bushnaq that Alma Health had no code of conduct in place that employees needed to acknowledge compliance with.
- 4.21 During the Bushnaq Interview, the RA Enforcement Team asked Mr. Bushnaq to explain if any systems and controls had been put in place at Alma Health, post to the incident resulting in the creation of the Falsified BOD Resolution. Mr. Bushnaq responded that he was not aware of the details and requested that his appointed legal counsel to provide the required information.
- 4.22 On 19 October 2023, Mr. Bushnaq sent additional written statements to the RA Enforcement Team (post the Bushnaq Interview), stating that Alma Health was "introducing an integrated system of checks and balances" and "establishing a robust system of controls, accountability, and governance to uphold the highest standards of compliance". Furthermore, it was also stated that Alma Health was "investing in training and educational programs to increase the awareness of our employees of the importance of compliance and their individual roles in upholding it".

5 CONTRAVENTIONS

- 5.1 Based on the facts and matters noted above, the Registrar considers that Mr. Bushnaq contravened Section 998 under Part 33 of CR 2020 by failing to take adequate precautions to guard against the falsification of company records.
- 5.2 The relevant extract of Section 998 under Part 33 of CR 2020 is set out in Annexure A to this Notice.



5.3 A person who contravenes Section 998 under Part 33 of CR 2020 is liable to a fine not exceeding level 2 on the standard fines scale which is up to USD 300. 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:

1. penalising persons who have committed contraventions;
2. deterring persons that have committed or may commit similar contraventions; and
3. 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.

Seriousness

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

- (a) Mr. Bushnaq was the sole director of Alma Health at the time of the contravention and the company not having systems and controls in place to safeguard the integrity of its own company documents is unacceptable. Failure to implement necessary policies and procedures, in the face of “rapid expansion”, is also unacceptable. The consequences of this resulted in the creation of a falsified company document, that purported to be authenticated by the Registration Authority, which has the potential to harm the integrity of the ADGM.
- (b) A company’s directors have general duties placed upon them, including the duty to promote the success of the company which includes having regard to the desirability of the company maintaining a reputation for high standards of business conduct. Failure to implement necessary controls does not meet the required standards.

Deliberate or reckless

6.6 The Registration Authority has considered the extent to which the contravention was deliberate or reckless. As the sole director of Alma Health at the relevant time, Mr. Bushnaq is expected to understand the need to establish internal systems and controls, and the heightened risks that Alma Health may face in the absence of such systems and controls. Taking all factors into account, the Registration Authority determines that the contravention was neither deliberate nor reckless, but the lack of action by Mr. Bushnaq was at least careless.

Whether the person is an individual

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 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.

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 more timely 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 998 under Part 33 of CR 2020 is level 2 which is up to USD 300.

Settlement

- 6.15 The Registration Authority and Mr. Bushnaq have reached agreement on the relevant facts and action to be taken by the Registration Authority. 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 300

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 936 under Part 31 of CR 2020;
- b) Make representations in response to any warning notice served in relation to this matter;
- c) Seek the issuance of any decision notice pursuant to Section 936 under Part 31 of CR 2020;
- d) Access the material of which the Registration Authority has relied upon; and
- e) Judicial review of the decision contained under this Notice by the ADGM Court.

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.

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Signed:



Hamad Al Mazrouei
Chief Executive Officer
Registration Authority

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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.



- (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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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.

(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.

...

EXTRACT OF THE *COMPANIES REGULATIONS 2020*

998. Duty to take precautions against falsification

(1) Adequate precautions must be taken by companies–

- (a) to guard against falsification of company records, and
- (b) to facilitate the discovery of falsification of company records.

(2) If a company fails to comply with this section, a contravention of these Regulations is committed by every officer of the company who is in default.

(3) A person who commits the contravention referred to in subsection (2) under this section is liable to a level 2 fine.

(4) This section does not apply to the documents required to be kept under–

- (a) [section 215](#) (copy of director's service contract or memorandum of its terms), or
- (b) [section 223](#) (qualifying indemnity provision).