

REGISTRATION AUTHORITY - GUIDANCE

# LATE FILING FEES

November 2024



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## INTRODUCTION

### Introduction to ADGM

**ADGM** is an international financial centre established pursuant to Abu Dhabi Law No. 4 of 2013 in the Emirate of Abu Dhabi, United Arab Emirates. With its own civil and commercial laws based on English common law, ADGM offers the local, regional and international business communities a world-class legal system and regulatory regime.

The Registration Authority (“**RA**”) of ADGM is the Registrar of companies within ADGM, as well as the commercial and audit regulator of ADGM. The RA is responsible for the licensing, registration and incorporation of entities seeking to establish a presence in ADGM, as well as monitoring and enforcing ADGM’s commercial legislation and facilitating government services.

### Guidance overview and application

This guidance is issued under section 936(2) of the Companies Regulations 2020 (“**CR 2020**”), section 28(1) of the Commercial Licensing Regulations 2015 (“**CLR 2015**”), and section 24 of the Beneficial Ownership and Control Regulations 2022 (“**BOCR 2022**”) to elaborate on late filing fees. For the purposes of this guidance, CR 2020, CLR 2015 and BOCR 2022 will be collectively referred to as (“**Regulations**”).

For the purposes of this guidance, private limited companies, public limited companies, unlimited companies, limited liability partnerships and foundations, will be collectively referred to as “**company**” or “**companies**”. Similarly, director, member, partner and councillor will be referred to as an “**officer**”, unless otherwise specified.

This guidance sets out the RA’s policy and procedure on charging late filing fees in respect of:

- a. commercial licence renewals under Section 10(A) of CLR 2015;
- b. notifying the Registrar of a change of director under Section 157 of CR 2020; and
- c. notifying the Registrar of a change of beneficial ownership and nominee directors under sections 4 and 5 of BOCR 2022.

This guidance should be read in conjunction with ADGM’s commercial legislation, which is available from [www.adgm.com](http://www.adgm.com).

## **Purpose**

The purpose of this guidance is to assist ADGM companies in avoiding fees for late filings of the above-mentioned filings under the respective Regulations, by raising awareness of the obligations to make the filings and notifications in a timely manner and to encourage applicable companies to put in place processes to ensure compliance with these filing requirements.

This guidance also clarifies how late fees for late filings are determined and charged on companies, how fees shall be paid and information on appeals.

## **Late filing fees issued by the RA**

On 29 November 2024, the RA introduced late filing fees for certain types of filings, and in respect of commercial licence renewals. The late filing fees regime creates a simplified and more proportionate approach to applying penalties for late statutory filings.

The late filing of a required filing or late commercial licence renewal will automatically be triggered on the RA's Online Portal and charged, with the amount of the late filing fee ("**fee**" or "**fees**") depending on the type of filing required. The charged fee type will be shown on the Online Portal. The Online Portal can be accessed [here](#).

The purpose of charging late filing fees is to encourage the timely delivery of filings to the Registrar.

Maintaining the register of companies ("the **register**") is a statutory function of the RA. One of the RA's core objectives is to ensure the accuracy, timeliness and quality of information on the register.

In order for the register to contain accurate and timely information, companies are required to file notifications of changes in certain particulars, as well as commercial licence renewals within prescribed timeframes.

For guidance on other notification types, please refer to the RA's Event Driven Filings ("**EDF**") Guide, available at [www.adgm.com](http://www.adgm.com).

### **Filings subject to late filing fees**

The RA is introducing late filing fees in a phased approach. The first phase, coming into effect on 29 November 2024, applies to the following submissions to the Registrar:

1. Commercial licence renewal,
2. Change of director (appointment / cessation),
3. Change of beneficial owner / controller (appointment / cessation), and
4. Change of nominee director (appointment / cessation).

### **How much are late filing fees?**

The relevant fees rules prescribe the applicable fee for a late filing.

In accordance with the RA's commitment to the principle of proportionality, the late filing fees regime takes a graduated approach, whereby the longer the filing is overdue, the higher the fee.

Therefore, a company which submits a filing overdue for a shorter period, pays a smaller late filing fee than a company which submits a filing that has been overdue for a longer period.

The amount of the fee for each applicable late filing is set out in Table 1, below (see next page).

Table 1 – late fee amount

Filing / Submission Type	Fee Payable	When is the fee applied?
Commercial licence renewal	USD 150 per month, for each month the licence renewal is overdue, up to a maximum of \$450.	When a renewal application is made more than one month from the date of expiry of the licence (i.e. following a one-month grace period to renew the licence)
Late filings of beneficial ownership information and/or nominee directors	USD 150 per month, for each month the filing is overdue, up to a maximum of \$450.	When the filing is made more than 15 business days from the date of the relevant change
Late filing of a change of director (appointment / cessation)	USD 150 per month, for each month the filing is overdue, up to a maximum of \$450.	When the filing is made more than 14 business days from the date of the change

The late filing fees in Table 1 are in addition to the relevant filing fee and any other applicable fees charged by the Registrar.

Table 2, below, sets out an example regarding commercial licence renewal.

Table 2 – Calculation of late fee for late commercial licence renewal

<b>Example - Submission of Commercial Licence Renewal</b>
Section 10(A) of the Commercial Licencing Regulations 2015 (CLR 2015) requires ADGM legal persons to renew their RA commercial licence annually.
Company ABC Ltd's licence expiry date is 30 June. Therefore, it must apply to the Registrar for renewal of its commercial licence no later than 30 June of that year to maintain a current commercial licence to operate. However, CLR 2015, provides a one-month grace period to renew the commercial licence.
Therefore, if the Registrar receives ABC Ltd.'s licence renewal by 31 July, although the renewal is late, it is still within the one-month grace period and therefore <b>no</b> late renewal fee will apply.

*Table 2 (continued) – Calculation of late fee for late commercial licence renewal*

<b>Example - Submission of Commercial Licence Renewal</b>
Section 10(A) of the Commercial Licencing Regulations 2015 (CLR 2015) requires ADGM legal persons to renew their RA commercial licence annually.
<p>However, if the Registrar receives the licence renewal on 1 August, a late renewal fee of \$150 will be charged, in addition to the applicable licence renewal fee.</p> <p>If the Registrar receives the Licence renewal on 1 September, a late renewal fee of \$300 (being two months) will be charged, in addition to the applicable licence renewal fee.</p> <p>If the Registrar receives the Licence renewal on 1 October, a late renewal fee of \$450 (being the maximum late fee) will be charged, in addition to the applicable licence renewal fee.</p>

### **Appealing a late fee**

A company may appeal a late filing fee, however the appeal will only be successful if the company demonstrates that the circumstances are exceptional or that the late fee was imposed incorrectly.

For information on appeals of late filing fees, including the criteria, process and requirements for submitting an appeal, please refer to the RA's '*Guidance on waiver requests for late filing penalties*', available from the ADGM website here:

<https://www.adgm.com/operating-in-adgm/monitoring-and-enforcement/late-filings-to-the-registrar>

### **Failure to pay late fees**

If any part of a late fee is outstanding and not paid within 30 days, the company will be deemed to be not in good standing and the RA will restrict access to certain services on the online portal.

The RA may also apply to the ADGM Courts for the recovery of any part of the outstanding fee as a debt.

### **Further information**

For further information on requirements of company responsibilities to the RA, please visit: <https://www.adgm.com/operating-in-adgm/monitoring-and-enforcement/late-filings-to-the-registrar>



## **DISCLAIMER**

This guidance is a non-binding indicative guidance and should be read together with the relevant legislation, in particular the ADGM’s Companies Regulations 2020, Commercial Licensing Regulations 2015 and Beneficial Ownership and Control Regulations 2022, and any other relevant regulations and enabling rules, which may change over time without notice. Information in this guidance is not to be deemed, considered, or relied upon as legal advice and should not be treated as a substitute for specific advice concerning any individual situation. Any action taken upon the information provided in this guidance is strictly at your own risk and the RA will not be liable for any losses and damages in connection with the use of or reliance on information provided in this guidance. The RA makes no representations as to the accuracy, completeness, correctness, or suitability of any information provided in this guidance.