



CBUAE imposes sanctions on a finance company operating in the UAE

Abu Dhabi (2 February 2023): The Central Bank of the UAE (CBUAE) imposed a financial sanction and operational requirements on a finance company operating in the UAE, pursuant to Article 14 of the Federal Decree Law No. (20) of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Financing of Illegal Organisations, and Article 137 of the Decretal Federal Law No. (14) of 2018 Regarding the Central Bank & Organisation of Financial Institutions and Activities.

The CBUAE has imposed a financial sanction of AED 1,800,000, required the finance company to remediate the violations as well as for the Board of Directors to meet and rectify issues related to its composition. The sanctions follow a review by a third party consultant and an examination conducted by the CBUAE that revealed high risk and repeated AML/CFT violations by the finance company in addition to operational failings by the Board of Directors. The findings illustrate that the finance company engaged in high risk, repeated violations and had an overall weak compliance culture relating to policies and procedures designed for AML/CFT.

The CBUAE, through its supervisory and regulatory mandates works to ensure that all finance companies, their owners and staff abide by the UAE laws, regulations and standards adopted by the CBUAE to safeguard the transparency and integrity of the business of finance companies and the UAE financial system.

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