

QFC Authority imposes a public censure against Encryptics Data Security LLC and one of its officers

Doha, Qatar, 6 September 2020: The QFC Authority (“QFCA”) announced today that on 4th June 2020 it imposed a public censure on Encryptics Data Security LLC (“the Firm”) and the Senior Executive Function / Director of the Firm.

The Qatar Financial Center Authority (QFCA) has issued a public censure against the Firm and Ms Siham Boulbadaoui, its Senior Executive Function and Director, for each contravening General Rule 8A.9 and 8A.12 of the QFCA Rules, being Relevant Requirements.

QFCA investigated the Firm and found that the Firm and Ms Siham Boulbadaoui had each contravened two Relevant Requirements imposed by the QFCA under Part 5 of the QFCA Rules, namely they: (a) Failed to provide information to the Companies Registration Office (CRO) of Beneficial Ownership (BO) and information regarding their Nominee Directors and Corporate Directors (if applicable), and (b) failed to comply with a written notice to provide the QFCA with documents and information in relation to BO, nominee directors and nominee shareholders.

As with all enforcement investigations QFCA considers, amongst other things, the impact of the imposition of a financial penalty. Whilst QFCA considered the contravention to be serious and would normally consider the imposition of a financial penalty, the QFCA considered a public censure was reasonable considering all the relevant circumstances, namely: (a) there was no indication neither the Firm nor Ms Boulbadaoui made a profit or avoided a loss as a result of the contraventions; (b) there are indications the Firm is no longer operating and imposition of a financial penalty was likely to be ineffective; (c) a public censure is an effective deterrent because it will deter other QFC Firms and their officers from being named in public for non-compliance with Money Laundering / Terrorist Financing (ML / TF) matters; and (d) a public censure will educate the QFC community about the importance of ML / TF compliance issues.

Raed Al-Emadi, Chief Commercial Officer of the QFCA, said:

“This is a serious matter, but exceptional circumstances mean a public censure is the appropriate and proportionate response. In this particular case a public censure was additionally imposed on



the Senior Executive Function / Director because there are indications they are still in the State of Qatar and actively avoided the QFCA”.

(Ends)

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About the QFC Authority

The QFC Authority is a body established in 2005 by Article 3 of the QFC Law to operate the QFC in accordance with its objectives in Article 5 of the QFC Law. It licenses and administers firms that conduct business in or from the QFC. It has a broad range of powers to license, monitor and, when necessary, discipline non-regulated firms and individuals in accordance with the QFCA Enforcement Policy 2019. Further details are available on the website www.qfc.qa

