

QFC Authority imposes a financial penalty against SB1sport LLC

On 8 March 2022 the QFC Authority imposed a financial penalty in the sum of US\$4,600 on SB1sport LLC (“the Firm”) for contravening a Relevant Requirement pursuant to Compliance and Enforcement Rule (“CER”) 6.1.1(C) of the QFCA Rules.

The Firm was incorporated by registration and licensed in the QFC on 20 November 2019, and pursuant to General Rule 8A.9(B) of the QFCA Rules was required to submit a report concerning Beneficial Ownership (“BO”) information to the Companies Registration Office no later than 31 December 2021. However, the Firm failed to do so, and a contravention of General Rule 8A is taken to be a contravention of a Relevant Requirement for the purposes of the CER Rules.

The QFC Authority considered the financial penalty above was reasonable considering all the relevant circumstances of the case, namely that: the Firm contravened a Relevant requirement as outlined above; the contravention was serious because it concerned BO which is a Money Laundering / Terrorist Financing (“ML / TF”) vulnerability; there are indications the Firm bears the characteristics of a shell company, which is a ML / TF risk per Financial Action Task Force guidelines; issuing the financial penalty would deter other QFC Entities from being in contravention of non-compliance with ML / TF matters; a financial penalty will educate the QFC community about the importance of ML / TF compliance issues; and the amount of penalty imposed is commensurate with paragraphs 6-14 of the QFC ‘Policy Statement Financial penalties and public censures’ dated 1 October 2018 relating to late notification and reporting contraventions.

(Ends)

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.

