

### Annex 3 - List of Fines and Penalties

No.	Category of Violation	1st month/instance	2nd month/instance	3rd month/instance	4th month (Humanitarian Organization and Commercial Entity)
<b>High Risk Violations</b>					
1	Failure to renew the License on or prior to the expiry	Notice and fine of AED 500/- to Humanitarian Organizations	Second notice and fine of AED 500/- to Humanitarian Organizations	Third notice and fine of AED 500/- to Humanitarian Organizations	1. Final notice; 2. Suspension of any services provided by the Authority to the Humanitarian Organization or Commercial Entity; 3. Notifying other Relevant Authorities of the breach and advise that services to the Humanitarian Organization or Commercial Entity are suspended; 4. Cancelling access cards and other cards issued in favor of the Humanitarian Organization or Commercial Entity or its Employees; and/or 5. Terminating the License and Lease in addition to starting the procedures deemed necessary for property repossession.
2	Non-issuance or non-renewal of compulsory insurance policies				
3	Possession of firearms or weapons within the Free Zone				
4	Conducting business without a license				
5	Failure to comply with any health, safety or environment (HSE) regulations promulgated by the Authority				
6	Carrying out a business/activity different to that set out on the License				
7	Building or using outside the Property or on the rooftop of buildings radio, television or telecommunication equipment without the Authority's approval				
8	Illegal hiring of personnel				
9	Allowing Employees sponsored by the Authority to work for third parties				
10	Failure to notify the Authority about absconding Employees within five (5) days				
<b>Medium Risk Violations</b>					
11	Operating from offices outside the Free Zone area or conducting activities outside the Free Zone area without the Authority's approval or Relevant Authority's (ies') approval	Notice and fine of AED 200/- to Humanitarian Organizations	Second notice and fine of AED 200/- to Humanitarian Organizations	Third notice and fine of AED 200/- to Humanitarian Organizations	1. Final notice and; 2. Suspension of any services provided by the Authority to the Humanitarian Organization or Commercial Entity; and/or 3. Notifying other Relevant Authorities of the breach and advise that services to the Humanitarian Organization and Commercial Entity are suspended.
12	Discharge of untreated waste or hazardous materials illegally / without approval				
13	Mishandling/abandonment/unsafe storage of dangerous goods or materials				
14	Utilization of non-sponsored Employee(s) without approval (temporary or permanent)				
15	Failure to immediately report any Health, Safety and Environment accident to the Authority				
16	Failure to renew the residence visa of an Employee on or before the expiry date				
17	Failure to cancel an Employee's visa within thirty (30) days of the Employee leaving the employment at the Humanitarian Organization or Commercial Entity				
18	Organize and conduct fundraising events in the Dubai or UAE without obtaining the required approvals				
19	Failure to submit the annual activity report on or before the first Working Day of February of each calendar year or as per any other deadline stipulated by the Authority				
20	Failure to submit the annual financial audit report within six (6) months from the end of the financial year				

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<b>Low Risk Violations</b>					
21	Displaying/ selling products outside the Free Zone area without the Authority's approval and/or the necessary permits from the Relevant Authority(ies)				
22	Renting storage area(s) within the UAE outside the Free zone without obtaining the Authority's approval				
23	Breach of any administrative rule or regulation relating to the Regulations (other than those specified above)				
24	Non-authorized utilization of common areas or areas outside the Property for storage				
25	Installation of marketing collaterals, posters, emblems, creation of internal/ external signboards or advertisements in common areas without the Authority's approval	Notice to the breaching Humanitarian Organization or Commercial Entity	Second notice to the breaching Humanitarian Organization or Commercial Entity	Third notice to the breaching Humanitarian Organization or Commercial Entity	1. Final notice; 2. Suspension of any services provided by the Authority to the Humanitarian Organization or Commercial Entity; and/or 3. Notifying other Relevant Authorities of the breach and advise that services to the Humanitarian organization or Commercial Entity are suspended.
26	Sub-leasing of Property without the Authority's approval				
27	Wrong parking or parking in non-designated areas				
28	Unauthorized dumping of material within the Free Zone area				
29	Announcing fundraising campaigns through any communication mean prior to obtaining the required approvals				
30	Not indicating the legal status as a Free Zone entity on the letterhead or footer of all formal correspondence				
31	Failure to comply with the conditions of the Sponsorship Agreement				
32	Restricting the Authority's inspector(s) from entering the Property or hindering their task in any way				
33	Obstruction on access roads/ parking area entrances				
34	Furnishing incorrect or misleading information to the Authority.				
35	Late payment of any fees within the due time frame				

#### General Conditions

1. All amounts are expressed in UAE Dirhams.
2. All amounts are subject to AED 10 Knowledge & AED 10 Innovation Dirham fees.
3. All amounts mentioned in this list are subject to change by the Authority without prior notice. Updated list will be available on IHC website.