Federal Decree-Law No. (33) of 2025 Concerning the Regulation of the Capital Market

President of the United Arab Emirates,

We, Mohammed bin Zayed Al Nahyan,

- After reviewing the Constitution,
- Federal Law No. (1) of 1972 concerning the competencies of ministries and powers of ministers, and its amendments,
- Federal Law No. (4) of 2000 concerning the Emirates Securities and Commodities Authority and Market, and its amendments,
- Federal Law No. (8) of 2004 concerning financial free zones,
- Federal Decree-Law No. (22) of 2020 concerning the distribution of competencies and powers between the Securities and Commodities Authority and licensed securities and commodities markets in the State,
- Federal Decree-Law No. (32) of 2025 concerning the Capital Market Authority,
- And based on the proposal of the Chairman of the Board of Directors of the Capital Market Authority and the approval of the Cabinet,

We hereby issue the following Decree-Law:

Article (1): Definitions

For the purposes of implementing the provisions of this Decree-Law, the following terms and expressions shall have the meanings assigned to each, unless the context requires otherwise:

State	The United Arab Emirates.
Local Governments	The governments of the local Emirates within the State.
Central Bank	The Central Bank of the United Arab Emirates.
Authority	The Capital Market Authority.
Board	The Board of Directors of the Authority.

Chairman of the Board	The Chairman of the Board of Directors of the Authority.
Authority Law	Federal Decree-Law No. (32) of 2025 concerning the Capital Market Authority.
Companies Law	Federal Decree-Law No. (32) of 2021 concerning Commercial Companies, its amendments, or any law replacing it.
Legislation	The Authority Law and the legislation regulating the Authority and the capital market in force in the State, as well as related decisions issued in implementation thereof.
Zone	Any free zone established or to be established within the State, excluding financial free zones.
Financial Free Zone	Zones subject to the provisions of Federal Law No. (8) of 2004 concerning financial free zones, its amendments, or any law replacing it.
Entities	The Ministry of Economy, the Central Bank, local licensing authorities competent in company affairs within the relevant Emirate, and any other entity within the State related to the provisions of this Decree-Law and related legislation.
Activities	Financial activities specified under Article (3) of this Decree-Law, related to the Authority's competencies and objectives in accordance with the provisions of this Decree-Law and related legislation.
Market	A legal entity licensed or approved by the Authority to provide the venue, means, or digital systems necessary for executing transactions involving securities or foreign securities, in accordance with the provisions of this Decree-Law and related legislation.
Clearing	A legal entity licensed by the Authority to engage in central clearing activities in accordance with the provisions of this Decree-Law and related legislation.
Central Depository	A legal entity licensed by the Authority to engage in central depository activities in accordance with the provisions of this Decree-Law and related legislation.

Institutions	The market, central clearing, central depository, and any other institution deemed by the Board to be part of the capital market institutions.
Person	A natural or legal person, as applicable.
Licensed Person	A person licensed or approved by the Authority or registered with it to engage in one of the financial activities regulated by the Authority in accordance with the provisions of this Decree-Law and related legislation.
Approved Person	A natural person approved by the Authority to perform tasks related to financial activities, whether as part of the executive management or as an employee of the licensed person, in accordance with the provisions of this Decree-Law and related legislation.
Executive Management	Individuals occupying positions within entities subject to the Authority's supervision and control, in accordance with its decisions, who are responsible for management, planning, and oversight.
Securities	Financial instruments representing financial contracts, ownership rights, or debt instruments that are tradable, transferable, or convertible, including: 1. Shares of public joint-stock companies. 2. Preemptive rights. 3. Bonds and other debt instruments. 4. Sukuk. 5. Structured products. 6. Certificates. 7. Warrants. 8. Units or shares of other collective investment funds licensed by the Authority. 9. Securitized financial instruments. 10. Any contract, right, option, or derivative related to any securities or tradable products. 11. Any paper, instrument, share in capital, or other financial instrument deemed by the Board to be a

	security for the purposes of applying the provisions of this Decree-Law and related legislation.
Issuer	A legal entity established within the State that issues securities.
Foreign Issuer	A legal entity established outside the State or within a financial free zone in accordance with the provisions of this Decree-Law and related legislation, which issues or lists securities within the State.
Foreign Securities	Securities issued by a foreign issuer, and any paper, instrument, share in capital, or other foreign financial instrument deemed by the Board to be foreign securities.
Financial Product	Securities, foreign securities, virtual assets for investment purposes, and any other financial product falling within the Authority's jurisdiction.
Products	Indices, currencies, interest rates, commodities including metals, natural resources, and agricultural products, provided that transactions involving any of them are limited to hedging contracts such as futures and options, and any other asset transacted through contracts approved by the Board.
Board of Directors	The board of directors or board of managers of the issuer or licensed person, as applicable.
Listed Entity	A legal person that lists financial securities or foreign financial securities in the market.
Fund	A financial vehicle through which investors' funds are pooled for investment purposes, in accordance with the investment decisions issued by the Authority.
Assets	A digital representation of value that can be traded or transferred digitally and may be used for investment purposes. It does not include digital representations of fiat currencies, securities, or other funds, without prejudice to the Central Bank's jurisdiction in regulating monetary instruments or those related to payment methods or value preservation.

Information	Any data related to the issuer's activity, financial position, or management that impacts its material assets, liabilities, financial status, or the general course of its business. Such information may lead to changes in the price or trading volume of the listed financial security or foreign financial security, or influence an investor's decision regarding the financial security.
Inside Information	Material information that has not been disclosed to the public, as determined by the Authority.
Insider	Any person who possesses inside information, whether by virtue of their position, work, or due to any of these, or through a personal or contractual relationship, or by holding a significant share in the issuer's capital, or by any other means. This applies whether the person obtained the information directly or indirectly, lawfully or unlawfully.
Related Party	Any person connected to the issuer or foreign issuer in accordance with the provisions of this Decree-Law and related legislation.
Offering	The offering of financial securities or foreign financial securities for public or private subscription, in accordance with the decisions issued by the Authority.
Prospectus	A document detailing the procedures, terms, and conditions of the offering of financial securities or foreign financial securities.
Resolution	The restructuring or liquidation of any licensed person deemed systemically important by the Authority, in accordance with the provisions of Article (52) of this Decree-Law, using resolution powers as stipulated in Articles (54) and (55) of this Decree-Law. The aim is to ensure the continuity of vital functions of the licensed person, maintain financial stability, and minimize costs for clients or beneficiaries, as applicable.

Article (2): Scope of Application of this Decree-Law

1. The provisions of this Decree-Law shall apply to the following:
   a Financial products when dealt with within the State.
   b. Financial activities when practiced within the State or by any person in the free zone, whether conducted within or outside the free zone, in accordance with the provisions of this Decree-Law and related legislation.
   c. Licensed persons, accredited persons, issuers, foreign issuers when operating within the State, investment funds, and any person connected to them, in accordance with the provisions of this Decree-Law and related legislation.
   d. Any person targeting clients within the State, even if their activity is conducted outside the State or from a financial free zone, provided that such activity is subject to the provisions of this Decree-Law and related legislation.
   e. Any person engaging in activities, investing, or conducting transactions subject to the provisions of this Decree-Law and related legislation.

2. Securities issued by the federal government, local governments, or any companies or legal persons wholly owned by them shall be exempt from the application of this Decree-Law, unless offered to the public or listed in the market or trading platforms.

3. Investment funds owned by the federal government, local governments, or any companies or legal persons wholly owned by them shall be exempt from the application of this Decree-Law, unless offered to the public or listed in the market or trading platforms.

4. The provisions of this Decree-Law shall not apply to the following:
   a. Financial activities licensed by the Central Bank.
   b. Central deposit, clearing, and settlement systems established or operated by the Central Bank.
   c. Persons licensed by the Central Bank, except within the scope of securities issuance or financial activities specified in Article (3) of this Decree-Law.
   d. Financial free zones.

Article (3): Financial Activities Subject to the Authority

1. The following activities are considered financial activities subject to the regulation, licensing, supervision, and oversight of the Authority, in accordance with its powers

related to the regulation of the capital market sector and this Decree-Law, including when practiced in accordance with the principles and provisions of Islamic Sharia:

a. Establishing and operating the market.

b. Establishing and operating trading platforms.

c. Establishing and operating central clearinghouses.

d. Central deposit.

e. Brokerage.

f. General clearing.

g. Activities and services related to the establishment and management of investment funds.

h. Portfolio management.

i. Promotion.

j. Introducing financial activities.

k. Financial product trading.

l. Activities and services related to securitization operations.

m. Underwriting.

n. Financial advisory services.

o. Custodian services.

p. Issuance management.

q. Credit rating.

r. Activities and services related to trusts.

s. Depository bank and depository bank agent.

t. Listing advisor.

u. Issuer of warrants.

v. Financial evaluation of entities subject to the Authority's supervision and oversight.

w. Managing profit-sharing investment accounts, excluding investment deposits with banks and Islamic finance companies.

2. No individual may engage in any financial activity specified under Clause (1) of this Article within the State unless they obtain a license or approval from the authority.

3. Any person may engage in one or more of the financial activities specified under Clause (1) of this Article, provided they comply with the regulations established by the authority.

4. A licensed individual may transfer their financial activity license to another person, provided the transferee meets the conditions and requirements set forth by the authority.

Article (4): Approved Functions

1. The authority shall determine the approved functions necessary for performing tasks or activities related to financial activities, along with their regulations and conditions for approval.

2. No natural person may perform any approved function without obtaining prior approval or accreditation from the authority.

3. Any person may perform one or more approved functions in accordance with the regulations established by the authority.

Article (5): Provisions Related to Financial Activities and Approved Functions

1. The authority may designate specific individuals or categories of individuals to perform financial activities or approved functions, or prohibit any of them from engaging in such activities or functions.

2. The authority may exempt any individual or category of individuals from the licensing requirements for financial activities or the conditions for approving functions. It may also impose conditions or restrictions on such exemptions or revoke them, in accordance with the regulations established by the authority.

Article (6): Licensing, Approval, Registration, and Accreditation Requests

1. No legal entity may be registered or licensed by the relevant authorities to engage in any financial activity unless it obtains prior approval from the authority to perform such activity.

2. Applications for licensing, approval, registration, or accreditation to engage in financial activities or to add financial activities must be submitted to the authority using the prescribed form, accompanied by the required information, data, and supporting

documents. The authority may request additional information or documents as deemed necessary to make its decision.

3. The applicant must notify the authority in writing of any material changes to the application or its details before the authority makes its decision.

4. No new application for licensing, approval, registration, or accreditation may be submitted to the authority if the previous application was rejected, except after a period determined by the authority in accordance with its regulations.

Article (7): Guarantee and Insurance Coverage Provisions

1. The authority or its delegate may require the applicant seeking licensing, approval, or registration to provide a guarantee or insurance coverage in accordance with the conditions and procedures specified for each financial activity.

2. The authority or any other entity it designates may utilize the guarantee, in whole or in part, to fulfill the licensed individual's obligations arising from their financial activity, settle fines imposed on them, or enforce the authority's decisions.

3. No third party may request the seizure, execution, liquidation, or disposal of the guarantee provided by the licensed individual unless their license or approval is revoked, and all obligations are fulfilled in accordance with this decree-law and related legislation, subject to the authority's approval.

Article (8): Authority's Decision on Licensing, Approval, Registration, or Accreditation Requests

1. The authority shall issue its decision to grant, approve, register, or accredit—or reject—within the timeframe specified in its regulations.

2. The authority may accept or reject the application, and in the case of rejection, it must provide written reasons.

3. Despite meeting the prescribed conditions, the authority may impose restrictions on the license, approval, registration, or accreditation as it deems appropriate for public interest, including setting or modifying conditions, restrictions, or durations.

4. The authority must notify the applicant in writing of its approval decision, including the effective date of the license, approval, registration, or accreditation, the financial activity or approved function, and any conditions or restrictions related to the approval.

5. The authority may cancel applications for licensing, approval, registration, or accreditation that fail to meet the requirements within the specified timeframe, and any fees paid for such applications shall not be refunded.

Article (9): Duration and Renewal of Licensing, Approval, Registration, and Accreditation

1. The authority shall determine the duration of the license, approval, registration, or accreditation for engaging in financial activities or related tasks.

2. The licensed or accredited individual must renew their license, approval, registration, or accreditation in accordance with the procedures established by the authority. The authority may approve the renewal, impose conditions, or reject the renewal if any licensing or approval conditions are violated.

3. No financial activity or approved function may be performed unless the license, approval, registration, or accreditation is valid.

Article (10): Board Members, Executive Management, and Employees of the Licensed Entity

1. The authority shall specify the conditions required for individuals serving as board members or holding executive management positions within the licensed entity, as well as other positions determined by the authority. This clause does not apply if the licensed entity is regulated by the Central Bank.

2. The licensed entity must obtain the authority's approval for nominating or appointing individuals to its board, renewing their membership, appointing or renewing executive management positions, or hiring individuals for positions specified by the authority. This clause does not apply if the licensed entity is regulated by the Central Bank or is a capital market institution.

3. The authority may, through a reasoned decision, reject the nomination, appointment, or renewal of any individual for board membership, executive management, or other specified positions.

4. The licensed entity bears full responsibility for the actions of its employees, affiliates, and any third party contracted for outsourcing tasks, without prejudice to any other liabilities under this decree-law, related legislation, or other applicable laws in the State.

Article (11): Appointment of a Temporary Manager for the Licensed Person by the Authority

1. The Authority may appoint a temporary manager for the licensed person to manage the daily operations of the licensed person in the event of a breach of financial solvency conditions, non-compliance with prudential requirements, or the commission of serious violations in accordance with the provisions of this Decree-Law or any related legislation.

2. The temporary manager, whether a natural person, legal entity, or committee, shall be appointed in the case mentioned in Clause (1) of this Article in accordance with the tasks, conditions, and fees determined by the Authority for a period of three (3) months, renewable for additional periods. The licensed person shall bear the fees of the temporary manager as determined by the Authority in return for the performance of their duties.

3. To enable the temporary manager to perform their duties, the Authority may take any of the following measures:
    a. Dismiss the members of the Board of Directors or any of its members.
    b. Prohibit the Board of Directors from performing specific tasks or all of its tasks.
    c. Require the approval of the temporary manager before making any decision.

4. The Authority may amend the tasks, conditions, or fees of the temporary manager.

5. The temporary manager shall perform their duties within the scope of the tasks assigned to them, and the company shall be bound by their decisions. The temporary manager shall not be held liable for the responsibilities or obligations of a manager as stipulated in the applicable legislation of the State.

6. The temporary manager shall not be held liable for any damages arising from any act or omission, except in cases of bad faith, fraud, gross negligence, or willful misconduct.

7. Notwithstanding the provisions of this Article, the Authority may issue decisions it deems appropriate in accordance with its powers under this Decree-Law and related legislation concerning the licensed person.

Article (12): Obligations of the Licensed Person and Their Employees

The licensed person and their employees shall comply with the following:

1. Conduct financial activities or approved functions within the scope of the license, approval, registration, or accreditation issued by the Authority, and any conditions or restrictions imposed thereon.

2. Continuously meet all licensing, approval, registration, or accreditation requirements during the period of conducting financial activities or functions.

3. Refrain from engaging in any activities other than the financial activities licensed by the Authority, except for entities and activities specified by the Authority.

4. Provide the information, data, and banking account details requested by the Authority within the timeframe specified by the Authority. The Authority may verify the accuracy of the information or data provided through the competent authorities in the State.

5. Balance the conduct of financial activities or approved functions with the establishment of sound and fair practices, managing conflicts of interest, and disclosing them.

6. Refrain from causing harm to the financial market sector and its participants.

7. Ensure that any individual performing an approved function holds a valid accreditation from the Authority and performs their duties in compliance with the applicable legislation.

8. Meet the standards of competence and suitability and establish compliance controls in accordance with the decisions issued by the Authority.

9. Submit the reports requested by the Authority within the deadlines specified.

10. Notify the Authority in writing of the intention to cancel the license, approval, registration, or accreditation. The licensed person may not cease financial activities or liquidate their operations and business without the Authority's approval of the cancellation in accordance with the regulations set by the Authority and after ensuring the settlement of claims, obligations, and client accounts, as well as fulfilling the remaining cancellation requirements.

11. Report to the Authority any violation of the provisions of this Decree-Law, related legislation, systems, or technical or operational regulations. Such reporting shall not be considered a breach of job duties or a reason for penalizing or terminating the service of any employee of the licensed person.

12. Determine the fees and commissions charged to clients in accordance with the regulations set by the Authority.

13. Comply with the provisions of this Decree-Law, related legislation, and any decisions issued by the Authority regarding combating money laundering, terrorism financing, and the financing of the proliferation of weapons.

14. Fulfill any other obligations determined by the Authority through its decisions.

Article (13): Financial Services Agreement

1. The licensed person shall regulate their relationship with the client through a written agreement that does not contravene the provisions of the applicable legislation in the State.

2. Any provision or obligation in the financial services agreement that contravenes the provisions of the applicable legislation in the State shall not be enforceable. The Authority may establish rules to regulate the mechanism for amending such provisions or terminating non-compliant agreements and the resulting effects.

3. Any financial services agreement entered into with an unlicensed person shall not be enforceable against the Authority.

Article (14): Clients' Funds

1. The licensed person shall handle clients' funds, securities, or foreign securities in accordance with the provisions of this Decree-Law and the decisions of the Authority.

2. The licensed person shall separate their accounts and funds from those of their clients in accordance with the decisions issued by the Authority.

3. Clients' funds, securities, and foreign securities deposited in the licensed person's account or registered in their name shall not be considered part of the licensed person's financial assets. Clients shall have the right to recover such funds in accordance with the decisions issued by the Authority. These funds or securities shall not be subject to mortgage, seizure, enforcement, bankruptcy, liquidation, or any other procedures applicable to the licensed person.

4. A licensed person authorized to engage in margin trading may recover their funds before the creditors of a client financed through margin trading, even if the creditors have general or specific liens. This shall be done by selling all or part of the securities in the client's margin trading account to the extent necessary to satisfy the licensed person's rights without recourse to the client, provided this does not contravene the regulations and procedures set by the Authority, in the following cases:
    a. The client's death.
    b. Issuance of a liquidation or bankruptcy declaration against the client or their incapacitation.
    c. Issuance of a seizure order on the client's securities by a competent authority.
    d. Any other cases determined by the Authority.

Article (15): Control of the Licensed Person or Control Over Them

1. Subject to the applicable legislation in the State, the Authority shall issue decisions regulating the control, merger, acquisition, or control over the licensed person.

2. The licensed person shall obtain the Authority's approval in accordance with its conditions before undertaking any of the actions specified in Clause (1) of this Article. The Authority may approve, conditionally approve, or reject such actions.

3. The Authority may revoke approval, impose conditions, or amend the conditions imposed on the licensed person in the public interest, provided the licensed person is notified to take the necessary measures in accordance with the Authority's procedures.

4. In the event of a breach by the licensed person of the conditions and procedures specified by the Authority under this Article, the Authority may revoke their license or impose conditions or restrictions on their license.

Article (16): Close Links of the Licensed Person

1. The licensed person is obligated to notify the Authority of any close links, provided that the notification includes the following:

   a. Evidence that such links do not affect the Authority's supervision or oversight.

   b. Confirmation that the person intended to establish the link meets the competence and fitness standards set by the Authority.

2. The licensed person is obligated to provide the Authority with documents and information related to such links upon the Authority's request and within the period specified by the Authority.

3. The Authority may request the termination or amendment of such close links if it deems them inconsistent with the required conditions, such as competence and fitness standards, licensing requirements, or the requirements of capital market institutions. The Authority may also take appropriate measures and impose penalties, including the revocation of the license, in the event of non-compliance by the licensed person with the Authority's decisions.

4. For the purposes of this Decree-Law and related legislation, close links refer to those between the licensed person and any company within its financial group, or links between the licensed person and any other entity owning or owned by the licensed person, in accordance with the percentage determined by a decision issued by the Authority.

Article (17): Request for Temporary Suspension, Revocation of License, Approval, or Registration

1. A licensed person wishing to temporarily suspend or revoke their license must submit a written request to the Authority, including the reasons for the request and any other requirements determined by the Authority. The period of temporary suspension shall not exceed twelve (12) months unless the Authority, at its discretion, decides to extend this period based on the licensed person's request.

2. The license, approval, or registration shall be revoked if the financial activity is not practiced after the expiration of the temporary suspension period approved by the Authority.

3. Following the temporary suspension or revocation, the Authority may require the licensed person to settle and terminate all prior transactions related to the suspension or revocation of the license, approval, or registration, and to maintain the guarantee in accordance with its decisions.

4. After the suspension or revocation, the Authority may designate an entity to assume the responsibilities of the licensed person whose license, approval, or registration has been suspended or revoked, depending on the nature of the activity and in accordance with the conditions and requirements it deems appropriate.

Article (18): Market Competencies

1. The market shall undertake the following competencies:

   a. Determining the fees and commissions it charges for its services.

   b. Regulating the listing of securities and foreign securities, as well as supervising and overseeing them.

   c. Regulating the trading of securities and foreign securities listed on the market to ensure fairness among participants.

   d. Monitoring disclosure activities related to securities and foreign securities listed on the market.

   e. Determining trading hours and the rules governing market transactions.

   f. Determining the guarantees of market members and enforcing them to fulfill their obligations.

   g. Any other competencies in accordance with this Decree-Law, applicable legislation in the state, and decisions issued by the Authority.

2. The market may engage in central clearing and central depository activities in addition to its primary activities, in accordance with decisions issued by the Authority in this regard.

Article (19): Central Clearing Competencies

The central clearing entity shall undertake the following competencies:

1. Determining the fees and commissions it charges for its services.

2. Acting as a counterparty to all trading transactions conducted in the market to ensure settlement.

3. Determining the net rights and obligations of clearing members and their legal positions arising from their market transactions.

4. Determining the guarantees of central clearing members and enforcing them to fulfill their obligations.

5. Any other competencies in accordance with this Decree-Law, applicable legislation in the state, and decisions issued by the Authority.

Article (20): Central Depository Competencies

The central depository shall undertake the following competencies:

1. Determining the fees and commissions it charges for its services.

2. Registering and depositing ownership of securities and foreign securities, transferring them, and recording any restrictions on them, such as pledges, seizures, and other encumbrances, while maintaining them in its records.

3. Retaining documents and records that prove investors' ownership of securities or foreign securities, as well as recording, maintaining, and updating such ownerships.

4. Determining the guarantees of central depository members and enforcing them to fulfill their obligations.

5. Any other competencies in accordance with this Decree-Law, applicable legislation in the state, and decisions issued by the Authority.

Article (21): Enabling the Central Depository to Perform Its Competencies

1. Persons specified by the Authority are obligated to register securities or foreign securities with the central depository, specifying the individuals to whom the securities or foreign securities are allocated, the beneficiaries of any distributions or rights, and any subsequent amendments to enable the central depository to make the necessary entries.

2. The market and the central clearing entity are obligated to provide the central depository with all data and information necessary to enable it to perform its competencies.

Article (22): Financial Resources of Capital Market Institutions

The financial resources of capital market institutions licensed by the Authority to carry out their activities shall consist of the following:

1. Listing fees in the market.

2. Annual membership fees and service charges.

3. The percentage allocated from trading commissions.

4. Any other revenues approved by the capital market institutions.

Article (23): Obligations of Capital Market Institutions

Capital market institutions are obligated to:

1. Conduct financial activities, perform their duties, and utilize technical and technological systems that support their operations.

2. Ensure the presence of qualified management to conduct financial activities, manage their operations, and address related risks.

3. Fulfill their roles in a manner that balances the conduct of financial activities with the establishment of sound and fair practices, managing conflicts of interest and disclosing them.

4. Investigate and inspect members to ensure compliance with operational and executive regulations issued by them.

5. Establish mechanisms and procedures to ensure the quality of performance of the technical and technological systems used, as well as the preservation and retrieval of data and information at any time.

6. Confidentiality of Information and Data

   Institutions are obligated to maintain the confidentiality of information and data related to members and clients, except for cases where disclosure is required to the Authority or judicial entities, or where this Decree-Law and related legislation mandate its publication or disclosure.

7. Submission of Disclosures and Reports

   Institutions must provide the Authority with any disclosures, financial reports, data, documents, or other requirements requested, in accordance with the mechanism and timeframe specified by the Authority.

8. Business Continuity and Crisis Management

   Institutions must establish controls, measures, and procedures to ensure business continuity and effective crisis management.

9. Principles of Social Responsibility

   Institutions must set forth principles and standards for participation and social responsibility.

10. Procedures for Operational Failures

   Institutions must define the procedures to be undertaken in cases of operational failures, cessation of financial activities, or inability to continue operations.

11. Approval of Authority Regulations

    Institutions must adopt the regulations issued by the Authority prior to their implementation.

Article (24): Obligations of Capital Market Institutions in Risk Management

Capital market institutions are obligated to notify the Authority of the following:

1. Any potential conflict of interest involving any member of the Board of Directors or the executive management.
2. Risks to financial solvency faced by the institution or any of its members, or the inability of any member to fulfill their obligations.
3. Violations by any of its members or employees of this Decree-Law, related legislation, or the regulations of capital market institutions.
4. Penalties or actions taken against accredited employees or any members or employees in relation to their performance of duties under this Decree-Law and related legislation.
5. The nature of information deemed confidential and the individuals authorized to access it by virtue of their work.
6. Information, data, and records that must be disclosed or made available to the public upon the Authority's request.

Article (25): Obligations of Board Members and Executive Management of Capital Market Institutions

The Chairman, members of the Board of Directors, and executive management of capital market institutions are obligated to:

1. Disclose in writing to the Authority, from the date of their appointment and prior to assuming their duties, the securities or foreign securities owned by them and their minor children under their guardianship, as well as their contributions and those of their minor children in any listed entity or licensed person. They must also disclose any changes to this information throughout their tenure within one week of becoming aware of such changes. This includes the spouse of the Chairman and members of the Board of Directors and executive management regarding securities and foreign securities known to their spouse.
2. Adhere to decisions and circulars regarding:

- Their transactions in securities and foreign securities listed in the market after assuming their duties.

- Combining their role as a Board member with membership in the Board of Directors of any listed entity, licensed person, parent company, holding company, subsidiary, affiliate, or allied company, or holding an executive management position in any of them.

Article (26): Administrative Penalties by Capital Market Institutions

1. Capital market institutions may impose the following administrative penalties on their members, employees, and violators of their regulations:
   - Warning.
   - Reprimand.
   - Suspension of the member or any of their employees from performing duties for a period not exceeding one week.
   - Suspension of the member or any of their employees from trading in the market for a period not exceeding one week.
2. Capital market institutions may impose a financial penalty not exceeding AED 1,000,000 (one million dirhams) per violation on their members, employees, and violators of their regulations. The penalty shall be allocated to the capital market institution that imposed it.
3. Capital market institutions may not use financial penalties to achieve direct benefits for themselves or their employees. The Board of Directors of the Capital market institution shall determine the allocation of such penalties.
4. Capital market institutions may request the Authority to suspend a member or any of their employees from performing duties or trading in the market for a period exceeding one week, revoke the license or approval granted to the member by the Authority, revoke the accreditation issued by the Authority for any of the member's employees, or impose a financial penalty exceeding the amount stipulated in this Article. The Authority may accept or reject the request.

Article (27): General Provisions for Capital Market Institutions

The records, documents, entries, and data of technical and technological systems in capital market institutions shall constitute legal evidence proving the dates and details of trading, clearing, and settlement of securities or foreign securities, ownership of individuals, and any restrictions thereon unless proven otherwise.

Article (28): Offering of Securities and Foreign Securities

1. The offering of securities for public or private subscription shall be in accordance with the decisions issued by the Authority.

2. Entities established outside the State, and entities established under the laws of free zones or financial free zones, may offer securities or foreign securities for public or private subscription within the State—outside free zones or financial free zones—after obtaining the Authority's approval and in accordance with its decisions.

Article (29): Issuance of Securities

1. Subject to the provisions of the Companies Law and related legislation, an issuer intending to issue securities must obtain the Authority's approval prior to issuance.
2. The Board of Directors, executive management, and advisors of the issuer, each within their scope of responsibility, must comply with the requirements of the offering prospectus and include all information enabling investors to make informed investment decisions by evaluating the advantages, risks, rights, and responsibilities associated with the securities and the financial position of the issuer. They may amend the prospectus or issue an additional prospectus after obtaining the Authority's approval. The Authority may exempt the issuer from submitting the prospectus or any of its requirements in cases it deems appropriate.
3. The Board of Directors, executive management, and advisors of the issuer, each within their scope of responsibility, shall be held accountable for failing to provide data and information, providing misleading or incorrect data or information, or violating the provisions of this Decree-Law and related legislation.
4. The Authority may issue an order to suspend the issuance of any securities if it deems that the issuance would result in a violation of the provisions of this Decree-Law and related legislation, or in the event of exceptional circumstances or other reasons it deems appropriate. The issuer shall be granted a grace period to rectify its situation unless such a period would harm the interests of investors or others. In all cases, the issuer must be notified of the suspension in writing.

Article (30): Listing of Securities and Foreign Securities

1. Subject to the exception provided in Article (2) of this Decree-Law, public joint-stock companies are required to list their shares in the market.
2. The listing of securities and foreign securities in the market shall be in accordance with the decisions issued by the market, provided they are registered with the Authority prior to listing.

Article (31): Trading and Transfer of Ownership of Securities and Foreign Securities

1. Securities and foreign securities listed in the market shall be traded through the market.

2. Capital market institutions may transfer ownership, clear, and deposit securities and foreign securities not listed in the market in accordance with the regulations they establish.
3. Rights and obligations between the seller and buyer of securities or foreign securities shall arise upon the execution of orders in accordance with the market's mechanism. Such transactions shall be deemed final and irrevocable, and cannot be canceled, seized, or enforced, even if settlement occurs later. However, capital market institutions may cancel certain transactions in specific cases determined by their decisions.
4. Capital market institutions, each within their scope of responsibility, shall regulate the controls related to all activities and mechanisms assigned to them in accordance with the decisions issued by the relevant authorities.

Article (32): Suspension, Halting of Trading, or Delisting

1. The Authority, in coordination with the market, may suspend or halt trading of a financial instrument or foreign financial instrument, or delist it in the event of a violation of the provisions of this Decree-Law and related legislation, or if necessary to ensure the integrity and regularity of the market or to protect investors, or in circumstances that require such action. The Authority shall notify the issuer or foreign issuer accordingly.

2. The market may suspend or halt trading of a financial instrument or foreign financial instrument, or delist it, provided that the Authority is notified of any decision taken in this regard immediately upon issuance, in accordance with the regulations approved by the Authority.

3. In the event of delisting financial instruments or foreign financial instruments, the Authority may require the issuer or foreign issuer to comply with the procedures and regulations established by the Authority.

4. The Authority, by a decision of the Board, may file a lawsuit before the competent court to request the dissolution or liquidation of a public joint-stock company if its shares are delisted and it fails to rectify its status within the period specified by the Authority, following coordination with the relevant entities.

Article (33): The Issuer and Foreign Issuer

1. The issuer and foreign issuer shall comply with the following:

a. Submit to the Authority, if the financial instrument or foreign financial instrument is not listed on the market, or to the market if it is listed, documents, data, financial reports, or any other information or reports. Each entity shall determine, as applicable, the mechanism and deadlines for submission, the authorized signatories, and the penalties for non-compliance.

b. Fulfill all disclosure requirements issued by the Authority if the financial instrument or foreign financial instrument is not listed on the market, or by the market if it is listed, as applicable. Ensure that the required disclosures are clear, compliant with regulations, and reveal the facts they represent.

c. Provide the owner of the financial instrument or foreign financial instrument with financial reports or data upon request.

d. Notify the Authority if the financial instrument or foreign financial instrument is not listed on the market, or notify the market if it is listed, of any material information, as applicable. Provide and publish clarifications regarding any information or rumors that may affect the price of the financial instrument or foreign financial instrument, its trading activity, or volume, or influence investor decisions, ensuring the protection of investors' rights and the integrity of transactions.

e. Publish any explanatory information related to its conditions and activities to ensure transaction integrity and investor confidence when requested.

2. The issuer and foreign issuer may refrain from disclosing or publishing clarifications regarding information or rumors related to their conditions or activities if they have reasonable grounds—subject to the Authority's discretion—to believe that such disclosure would cause significant harm to their interests. A written, justified request must be submitted to the Authority if the financial instrument or foreign financial instrument is not listed on the market, or to the market if it is listed. The Authority or market, as applicable, may accept the request under appropriate conditions, reject it, or require disclosure. They may also amend or revoke the acceptance or rejection if circumstances warrant. The market must notify the Authority of any request received from the issuer or foreign issuer immediately upon receipt and of any decisions or actions taken in this regard upon issuance.

3. The issuer, foreign issuer, and members of their boards of directors and executive management are prohibited from providing misleading or false information.

4. The Authority, if the financial instrument or foreign financial instrument is not listed on the market, or the market if it is listed, as applicable, shall establish regulations to govern the disclosure of information, data, and ownership percentages in financial

instruments and foreign financial instruments by investors, issuers, and foreign issuers.

5. The Authority, if the financial instrument or foreign financial instrument is not listed on the market, or the market if it is listed, as applicable, has the right to publish any information, documents, or financial reports disclosed by the issuer through appropriate means.

Article (34): Obligations of Related Parties

Related parties shall comply with the following:

1. Not violate decisions issued by the Authority when dealing with the issuer or any of its parent, holding, subsidiary, affiliate, or allied companies.

2. Disclose any shared or conflicting interest in transactions, dealings, or activities related to the issuer or any of its parent, holding, subsidiary, affiliate, or allied companies in accordance with decisions issued by the Authority.

Article (35): Disclosure of Transactions in Financial Instruments

1. The chairman and members of the board of directors of the issuer or foreign issuer whose financial instruments are listed on the market, their executive management, or any of their informed employees must disclose to the market any transactions they conduct—whether personally or through others—in the financial instruments of the issuer or foreign financial instruments of the foreign issuer, in accordance with market regulations.

2. The individuals mentioned in Clause (1) of this Article must comply with any regulations or procedures issued by the market when conducting transactions—whether personally or through others—in financial instruments or foreign financial instruments listed on the market for the parent, holding, subsidiary, affiliate, or allied companies of the issuer or foreign issuer.

Article (36): Prohibited Transactions in Financial Instruments

1. The chairman and members of the board of directors of the issuer or foreign issuer whose financial instruments are listed on the market, and their informed employees, are prohibited—whether personally or through others—from transacting in the financial

instruments of the issuer or foreign financial instruments of the foreign issuer, or any financial instruments or foreign financial instruments of the parent, holding, subsidiary, affiliate, or allied companies of the issuer or foreign issuer, if such instruments are listed on the market, during the prohibition periods specified in the Authority's decisions or market regulations, as applicable.

2. Insiders are prohibited from disclosing internal information they possess to others or encouraging any person to transact in financial instruments or foreign financial instruments listed on the market based on such information.

Article (37): Unlawful Transactions

1. No person, whether individually, in collusion, or in cooperation with others, may engage in the following:

   a. Trade in a financial instrument or foreign financial instrument with the intent to deceive, mislead, or create the illusion of an active market for such instrument, or manipulate its price by increasing, decreasing, or stabilizing it, or influence trading volume in the market, or affect investor decisions, such as participating in agreements, conducting fictitious transactions, or entering, amending, or canceling buy or sell orders for financial instruments or foreign financial instruments.

   b. Provide false, misleading, or incorrect statements or information in violation of the provisions of this Decree-Law and related legislation, or spread rumors that may affect the reputation of the issuer, the prices of financial instruments or foreign financial instruments, or any financial product, or influence investor decisions.

   c. Trade in a financial instrument or foreign financial instrument listed on the market based on insider information obtained through their position, job, or work, or from an insider or others, or disclose insider information to another person.

   d. Exploit investor order information for personal gain or for the benefit of others.

   e. Exploit insider information obtained through their position, job, or work to trade in financial instruments or foreign financial instruments listed on the market for personal gain or for the benefit of others, directly or indirectly, whether conducting such transactions personally or through others on their behalf or in any other capacity for others.

f. Harm the reputation of the market or its members or participants, or contribute to or arrange for fictitious or fraudulent transactions.

2. A person's adherence to price stabilization controls and procedures or mechanisms regulated by the Authority or financial market institutions does not constitute a violation of the provisions of this Decree-Law, related legislation, or the Companies Law regarding the prohibition of influencing the price of financial instruments or foreign financial instruments listed on the market.

Article (38): Investment Funds

1. Investment funds shall enjoy independent legal personality and financial liability, and shall take one of the following forms:
   a. An investment fund established and licensed by a decision of the Authority.
   b. One of the forms of commercial companies stipulated in the Companies Law, established in accordance with the Companies Law, provided prior approval is obtained from the Authority. The Authority may exempt the fund from certain provisions of the Companies Law or any other law in line with the nature of its activities.

2. The Board shall issue the conditions and regulations related to investment funds.

Article (39): Virtual Assets

Without prejudice to any provision in the Central Bank Law:

1. The Authority shall regulate the trading of virtual assets, financial activities, services, and related tasks, and shall determine the procedures for registering virtual assets and cases of deregistration, in accordance with the applicable legislation in the State.

2. Trading of virtual assets within the State is prohibited unless the asset is included in the official list of virtual assets, operated by a licensed virtual asset platform approved by the Authority, and the virtual asset is registered with the Authority.

3. The Authority shall oversee and supervise the activities, transactions, and trading of virtual assets within the State and in the free zone.

Article (40): Financial Activities and Products Compliant with Islamic Sharia Principles

1. Without prejudice to any provision in the applicable legislation in the State, any person subject to the Authority's supervision may engage in financial activities or issue financial products that comply with Islamic Sharia principles.

2. The Higher Sharia Authority, established in accordance with the applicable Central Bank Law, shall determine the types of financial activities and products that may be undertaken by the persons referred to in Clause (1) of this Article. The Higher Sharia Authority shall also set the general Sharia rules, standards, and principles governing these activities and products.

3. Persons referred to in Clause (1) of this Article must comply with the following:
   a. The rules, standards, and general Sharia principles established by the Higher Sharia Authority.
   b. Contributing to the expenses of the Higher Sharia Authority, including allocations, rewards, and expenses of its members, in accordance with the approved charter of the Higher Sharia Authority.
   c. Appointing an internal Sharia supervisory committee approved by the Higher Sharia Authority, composed of experts and specialists in issuing Islamic financial jurisprudence rulings, and adhering to any conditions or requirements specified. The Higher Sharia Authority may exempt entities from this obligation based on the size and nature of their operations, provided alternative procedures are in place to ensure compliance with Islamic Sharia principles.

4. Persons referred to in Clause (1) of this Article shall be exempt from registration requirements, fees, or similar costs for any asset purchased or sold, whether wholly or partially, leased, rented, manufactured, or otherwise, as long as these activities and issuances are part of their Sharia-compliant operations.

5. A person referred to in Clause (1) of this Article shall be deemed compliant with Islamic Sharia principles if they adhere to the decisions, regulations, and standards issued by the Higher Sharia Authority.

6. If it is proven that a person referred to in Clause (1) of this Article has engaged in activities contrary to Islamic Sharia principles as per the decisions, regulations, and standards of the Higher Sharia Authority or the Authority, they shall be subject to measures and penalties determined by the Authority after consultation with the Higher Sharia Authority.

7. The Authority shall:
   a. Provide technical support to the Higher Sharia Authority to carry out its duties concerning Sharia-compliant financial activities and products.
   b. Present draft legislation regulating Sharia-compliant financial activities and operations to the Higher Sharia Authority for approval prior to issuance.

8. The approved charter of the Higher Sharia Authority shall specify any special rules or procedures, as well as any additional powers related to oversight and inspection.

Article (41): Continuation of the Authority's Powers

1. The Authority shall continue to exercise its powers over the persons listed below for a period of three (3) years following the revocation of their license, approval, registration, accreditation, or membership, or the cessation of their activities, if the Authority becomes aware during this period of any act or omission constituting a violation of the provisions of this Decree-Law or related legislation due to their activities or operations:
   a. The licensed person, members of their board of directors, executive management, and employees.
   b. The issuer, members of their board of directors, executive management, and employees.
   c. The accredited person.

2. If the Authority takes any action under Clause (1) of this Article within the three-year period, its powers shall continue until the completion of such action, without being restricted by the specified period.

3. The Authority's action shall commence upon notifying the person or initiating any legal proceedings against them.

Article (42): Accreditation of Accounting Firms

1. Without prejudice to the applicable legislation regulating the accounting and auditing profession, the Authority may issue specific regulations for accrediting accounting firms qualified to audit the accounts of entities under its supervision and governance. The Authority may establish a special register for accredited accounting firms for this purpose.

2. Non-accredited firms listed in the register may not audit, review accounts, prepare reports on periodic or annual accounts, financial statements, or provide other assurance services for entities under the Authority’s supervision.

3. Accredited accounting firms shall be subject to the Authority’s supervision and oversight when performing their duties as specified in this Article.

4. The provisions of this Decree-Law shall not affect any additional requirements imposed by the Central Bank on accounting firms auditing financial institutions under its supervision and oversight.

Article (43): Public Registers for Entities Subject to the Authority’s Supervision

1. The Authority shall take appropriate measures to maintain records related to its functions and powers.

2. The Authority shall, in accordance with its procedures, publish and update a register containing the following information:
    a. The issuer, members of its board of directors, and any actions taken against them.
    b. The licensed person, their financial activities, members of their board of directors, and any actions taken against them.
    c. The accredited person and any actions taken against them.
    d. The accredited accounting firm and any actions taken against them.
    e. Any person engaging in financial activities without a license, approval, or registration, or performing financial-related functions without accreditation from the Authority.
    f. Any other persons, data, or information deemed appropriate by the Authority.

3. In exceptional circumstances, the Authority may decide not to publish any of the information mentioned in Clause (2) of this Article.

Article (44): Investor Protection Fund

1. The Authority may establish a fund named the "Investor Protection Fund," subject to its supervision and oversight, with independent legal personality and financial liability. The purpose of the fund is to protect investors’ funds from risks identified by the Authority.

2. The Authority shall issue a decision regarding the establishment of the fund, its operational mechanisms, management, membership conditions, financial resources, asset management and investment mechanisms, obligations towards investors, risks covered, eligibility cases and periods, fund dissolution and liquidation mechanisms, associated penalties, and any other related matters.

Article (45)

Settlement Guarantee Fund

1. The central clearinghouse may establish a fund named the "Settlement Guarantee Fund," which shall enjoy legal personality and financial independence. The purpose of its establishment is to guarantee the settlement of transactions executed in the market.

2. The central clearinghouse shall set the regulations governing the establishment of the fund and all matters related thereto, provided that such regulations and any amendments thereto are approved by the Authority.

3. The fund shall be subject to the supervision and oversight of the Authority.

Article (46)

Authority Oversight

1. Financial activities, licensed persons, issuers, members of their boards of directors, executive management, employees, foreign issuers dealing in foreign securities within the state, any dealings in securities or foreign securities within the state, and any person connected thereto shall be subject to the supervision and oversight of the Authority in accordance with the provisions of this Decree-Law and related legislation.

2. The Authority may engage any party it deems appropriate to verify the compliance of entities and persons under its supervision with the provisions of this Decree-Law and related legislation.

3. The Authority shall monitor the quality of auditing activities conducted on entities and persons under its supervision.

4. The Authority may set conditions for the nomination of a member of the issuer's board of directors and may suspend or terminate the membership of a board member if the

member loses any of the nomination conditions during their term. Members of the board of directors shall not be subject to this clause if the issuer is regulated by the Central Bank.

5. The Authority shall take necessary measures to ensure fairness, integrity, and validity of transactions related to the capital market and financial activities within the state, and to guarantee equitable dealings.

Article (47)

Authority's Inspection Powers

1. Subject to Article (59) of this Decree-Law, the Authority may periodically or at any time inspect:
   a. Persons under its supervision within the state, including their parent, holding, subsidiary, affiliate, or allied companies, whether inside or outside the state, their auditors, and any other entity or person proven to be connected to the subject of the inspection.
   b. Any entity engaging in or suspected of engaging in financial activities or providing financial services without a license or approval from the Authority in accordance with the provisions of this Decree-Law and related legislation.

2. The Authority may coordinate with judicial authorities or any other relevant authority to take necessary measures to facilitate the inspection mentioned in Clause (1) of this Article urgently. It may also engage one or more experts in the subject matter of the inspection at the expense of the violator.

3. Inspectors appointed by the Authority may request any data, documents, electronic or digital records, or other information, including computer systems and technical or electronic means, from the board of directors, CEO, or any employees of the entity under inspection. They may also document violations, prepare necessary reports, and seize all documents, devices, tools, or records related to the inspection.

4. Data, documents, or records obtained as a result of the inspection shall constitute evidence or legal proof that may be relied upon in any legal or judicial proceedings initiated by the Authority.

Article (48)

Authority’s Administrative Investigation Powers

1. The Authority may conduct administrative investigations in cases of suspected violations of the provisions of this Decree-Law and related legislation or based on a report received.

2. The Authority may request any information, documents, electronic or digital records, data, or reports from persons or entities under its supervision, provided they are related to any transactions, financial activities, or services regulated under this Decree-Law and related legislation. The request must be written, justified, and limited to what is necessary for the purposes of the administrative investigation. The requested parties must provide the Authority with the required information within a reasonable timeframe specified by the Authority.

3. The Authority may summon any person under its supervision to hear their statements or conduct an administrative investigation with them whenever necessary to enforce the provisions of this Decree-Law and related legislation. Refusal to attend without a valid excuse shall constitute an administrative violation, without prejudice to the person’s right to be represented by a lawyer or legal representative.

4. The Authority shall coordinate with the relevant regulatory body, if applicable, when requesting information or hearing statements from persons or entities not under its supervision.

5. If the person whose statements are to be heard or from whom information or documents are requested is outside the state, the Authority may coordinate with the foreign regulatory body in this regard.

6. The Authority may enter the premises of persons under its supervision during official working hours, as necessary, to verify compliance with the provisions of this Decree-Law and related legislation. This includes reviewing and copying relevant records and documents for administrative investigation or inspection purposes. The Authority may not enter premises not under its supervision without the approval of the relevant entity or a warrant from the competent public prosecution.

7. The Authority may conduct hearings using modern technological means and may record or document such hearings after notifying the person whose statements are being heard.

8. The person summoned to provide statements must comply with the hearing procedures, attend at the time specified by the Authority unless they have a valid excuse accepted by the Authority, and sign the investigation report.

9. The Authority may issue a decision outlining the regulations and procedures necessary for managing hearings.

10. The Authority may issue its decision in the administrative investigation based on the information and data available to it if the person fails to attend the hearing or comply with the hearing procedures, including refusal to answer investigation questions.

11. During the administrative investigation, the Authority may take the following measures:
    a. Refer any suspected criminal offense to the competent public prosecution for appropriate criminal investigation procedures.
    b. Engage one or more experts in the subject matter of the investigation, and may charge the violator, if the violation is proven, with the costs of expertise.
    c. Suspend any person connected to the investigation from trading or dealing in financial products in their account, whether directly or indirectly, or in any other capacity for another's account, if justified. The suspension may be lifted once the reasons for it cease to exist.
    d. Suspend trading in a specific trading account or financial product if the transaction is under suspicion until the reasons for the suspension are resolved.
    e. Suspend or revoke the license or accreditation of a person from practicing their activity or duties if justified, and lift the suspension once the reasons cease to exist.
    f. Determine the persons allowed to attend the investigation.
    g. Impose restrictions on attendees, including prohibiting them from disclosing any information or questions related to the person under investigation.
    h. Regulate the conduct of attendees during the investigation to ensure the proper conduct of the session and maintain order.
    i. Take procedural measures necessary for administrative investigation within the limits of this Decree-Law and applicable legislation.
    j. Request information, documents, electronic or digital records, audio or video recordings, or bank accounts from relevant entities or competent judicial authorities in accordance with applicable legislation and as required for the administrative investigation.

Article (49): The Authority's Role in Prudential Oversight and Managing Exceptional Circumstances

1. For the purposes of prudential oversight, the Authority may require any person subject to its supervision to comply with the following:
   a. Adherence to any additional requirements imposed by the Authority, including those related to capital, liquidity, or financial provisions.
   b. Compliance with rules concerning related parties or the mitigation of substantial risks.

2. The Authority may issue decisions aimed at ensuring justice, transparency, and efficiency, and regulating precautionary measures to address exceptional circumstances in the capital market sector. Specifically, the Authority may take the following measures:
   a. Suspend the licensed person or the person approved by the Authority from engaging in financial activities.
   b. Suspend the certified person from performing their duties.
   c. Temporarily halt trading in any listed security in the market.
   d. Cancel trading in any listed security in the market.
   e. Nullify any transaction conducted on any listed security in the market.
   f. Amend or suspend any operational or executive controls, technical systems, or decisions in capital market institutions, in coordination with these institutions.
   g. Require the licensed person, approved person, or certified person to perform specific activities or operations related to their work and duties, within the available capabilities.

Article (50): Obligation to Disclose to the Authority

1. The Authority may require any person connected to the provisions of this decree-law and related legislation in the State to disclose any information, documents, or reports requested within the period specified by the Authority.

2. The Authority may exempt a person from disclosing certain data or submitting specific documents in cases it deems appropriate, provided the relevant market is notified accordingly.

3. A person shall not be deemed in violation of confidentiality requirements if they disclose any information, documents, or reports to the Authority.

4. No person may conceal any information, or provide false, misleading, forged, or altered information or documents to the Authority.

5. Information, documents, and reports submitted to the Authority shall constitute evidence or legal proof that may be relied upon in any legal or judicial proceedings initiated by the Authority, without prejudice to the competent judicial authorities' discretion to assess their evidentiary value in accordance with the rules of evidence established by law.

Article (51): Preventive Settlement, Restructuring, Bankruptcy, or Liquidation of Persons Subject to the Authority's Supervision

1. Without prejudice to the provisions of applicable legislation in the State, the Authority may add any procedures or conditions related to preventive settlement, restructuring, bankruptcy, or liquidation of persons subject to its supervision, provided it coordinates with relevant entities in this regard.

2. Notwithstanding any other legislation, settlement operations in the central clearing system shall have priority in completing settlement processes.

Article (52): Designation of Systemically Important Persons

The Authority has the power to designate any licensed person as a systemically important person. For this purpose, the Authority may require such persons to take necessary measures and actions to ensure financial stability in the State. The Authority shall issue regulations outlining the criteria for designating a licensed person as systemically important.

Article (53): Prudential Recovery Plan

1. Upon designating a licensed person as systemically important under Article (52) of this decree-law, the Authority may:
    a. Require the licensed person to prepare a recovery plan and submit it to the Authority for review and assessment in accordance with the rules issued by the Authority.
    b. Request the licensed person to provide information deemed necessary by the Authority to evaluate the adequacy of the recovery plan.
    c. Require the licensed person to address any deficiencies identified by the Authority, and resubmit an updated version of the recovery plan.

2. The licensed person must review and update their recovery plan as follows:

   a. Annually.

   b. In the event of a material change that could reasonably affect the implementation of the plan.

   c. Upon request by the Authority.

3. The licensed person must submit the updated version of the recovery plan to the Authority in accordance with this Article.

Article (54): Early Intervention

1. If a licensed person designated as systemically important under Article (52) of this decree-law fails to meet, or is likely to fail in the near term to meet, capital or liquidity requirements due to a rapid deterioration in their financial position, or if such person or one of their subsidiaries faces financial distress, the Authority may take a series of measures to address the situation, in accordance with the regulations issued by the Authority, including:

   a. Requiring the licensed person to implement one or more measures from their recovery plan.

   b. Requiring the licensed person to provide additional financial resources to support their paid-up capital.

   c. Imposing additional liquidity requirements on the licensed person, proportionate to the risks associated with their activities.

   d. Requiring the licensed person to assess their situation, identify corrective measures to address risks and deficiencies, and establish arrangements for adopting those measures.

   e. Requiring the licensed person to make changes to their business strategy.

   f. Requiring the licensed person to make changes to their legal or operational structure.

   g. Issuing a decision and taking necessary actions to merge the licensed person with another licensed person.

   h. Allowing any qualified entity to acquire the licensed person.

   i The dismissal or replacement of one or more members of the Board of Directors or executive management members who are proven to be unfit to perform their duties.

   j The formation of a temporary committee to manage the licensed entity. The committee shall have the authority to take any measures it deems appropriate in accordance with the terms and conditions specified by the Council, including the possibility of deciding to suspend or halt all or part of the licensed entity's activities immediately, along with the resulting procedures. The licensed entity shall bear the fees of the committee as determined by the Authority.

k The direct management of the licensed entity for a period specified by the Council. In this case, the Authority shall replace the management of the licensed entity in all its powers, including financial and administrative powers. The powers of the licensed entity's Board of Directors and General Assembly shall be immediately suspended until the end of the temporary management period.

l The appointment of an independent observer from outside the Authority to attend the meetings of the licensed entity's Board of Directors and participate in discussions without having voting rights. The Council shall determine the tasks and fees of the observer.

m Requesting the competent authorities in the state to temporarily seize the licensed entity and take control of its assets, properties, and the rights of its partners or shareholders.

n Issuing a decision to liquidate the licensed entity or its investments, developing a plan for the liquidation or transfer of its assets and liabilities, settlements, and reconciliations related to it, supervising the execution of the liquidation plan, or filing for bankruptcy with the competent court in accordance with the applicable legislation in the state.

o Restricting the financial activities of the licensed entity, suspending them, or prohibiting it from entering into any contracts.

p Requiring the licensed entity to maintain assets within the state equivalent to the total net liabilities arising from its operations in the state or a specific percentage of such liabilities.

q Prohibiting the licensed entity from distributing any returns or profits to its partners or shareholders.

r Suspending, canceling, or restructuring the license of the licensed entity.

s Any other measures or actions issued by a decision of the Council.

2. In the event of a decision to merge or liquidate a financial institution established outside the state or in a financial free zone and having a branch licensed by the Authority, the same procedures adopted by the relevant authority in the jurisdiction of establishment shall apply to the branch, unless otherwise agreed with the relevant authority. In all cases, it is required that such actions do not negatively impact financial stability or the rights of creditors within the state.

3. The Authority shall coordinate with federal or local entities or any other relevant authority before issuing any decision by the Council in accordance with the provisions of this Article. It may also request the competent judicial authorities to take precautionary, urgent, or any other measures necessary to protect the funds and interests of investors or beneficiaries.

4. The licensed person shall be notified of the Authority's decision related to this Article through an official notice within a period not exceeding twenty (20) business days from the date of issuance of the decision, provided that the notice includes the following:

- The content of the decision.
- The reasons justifying the decision.
- The effective date of the decision.

The licensed person shall have the right to appeal the decision within a period not exceeding thirty (30) business days from the date of the notice by submitting a request to the Grievance Committee, in accordance with the provisions of this Decree-Law.

Article (55): Powers of Resolution and Liquidation

The Authority shall have the power to undertake resolution and liquidation within its jurisdiction. In the event of restructuring or liquidating any licensed person deemed systemically important under the provisions of Article (52) of this Federal Decree-Law, the Authority may exercise the following powers:

Resolution and Liquidation Powers

The Authority may exercise the following powers in the context of restructuring or liquidating a licensed person:

1. Dismiss or appoint senior management, directors, or employees, and recover funds from responsible individuals, including bonuses and incentives.

2. Appoint one or more individuals as resolution and liquidation trustees to take control of the licensed person and manage its operations or parts thereof to restore its viability, granting them the powers outlined in clauses (3), (4), and (5) of this Article.

3. Cancel, amend, or terminate contract terms, fulfill obligations, or transfer, continue, or assign contracts involving the licensed person, or buy or sell assets.

4. Write off or transfer any debt instrument or obligation.

5. Ensure the continuity of essential services and operational functions deemed necessary by the Authority through any of the following:
   a. Requiring other entities within the same group to continue providing services or facilities to the licensed person, its successor, or an acquiring entity.
   b. Ensuring the remaining entity in resolution can temporarily provide such services to a successor or acquiring entity.
   c. Obtaining necessary services or facilities from third parties.

6. Cancel the rights of partners or shareholders in the licensed person, including the right to acquire additional shares or equity, and waive shareholder or partner approval requirements for certain transactions to facilitate mergers, acquisitions, business sales, recapitalization, or other restructuring measures.

7. Transfer or sell all or part of the licensed person's rights, obligations, assets, liabilities, shares, or equity to a solvent third party, regardless of any consent or renewal requirements that may otherwise apply.

8. Establish a separate entity to manage the licensed person's assets and transfer such assets to it for managing distressed loans or hard-to-value assets.

9. Execute a rescue operation involving a third party to ensure the continuity of critical functions, either by recapitalizing the entity providing such functions or by capitalizing a newly established entity to which these functions are transferred.

10. Temporarily suspend the exercise of early termination rights under any contracts or agreements that would otherwise be triggered by the licensed person entering resolution or liquidation.

11. Impose a temporary moratorium on payments to unsecured creditors and clients, except for payments to central counterparties, payment, clearing, and settlement systems, and central banks. This includes halting creditor actions to seize assets or recover funds or property from the licensed person while protecting the enforcement of netting agreements and collateral arrangements.

12. Conduct an orderly closure and liquidation of all or part of the licensed person's business.

13. Require the licensed person to provide immediate access to transaction accounts, identifiable assets, and segregated assets for clients.

14. Restrict secured creditors of the licensed person from enforcing security rights over its assets, except for assets pledged, encumbered, or provided as margin or collateral to central counterparties, payment, clearing, and settlement systems, and central banks.

15. Take any of the following measures regarding debt instruments and other obligations issued by the licensed person:

    a. Amend the maturity date.

    b. Modify the interest amount due.

    c. Adjust the date on which interest becomes payable, including temporary suspension of payments.

16. Require any person to suspend or halt the trading of financial instruments related to the licensed person.

17. Define circumstances to be disregarded when determining whether a default event applies under a contract.

18. The Authority may exercise its resolution and liquidation powers:

    a. Regardless of any restrictions or conditions requiring consent (other than from the buyer) for the transfer of financial instruments, rights, assets, or obligations.

    b. Without requiring approval from any person, whether public or private, including partners, shareholders, or creditors of the licensed person.

    c. Without the need to notify any person, including any requirement to publish notices, prospectuses, or register documents with any other authority.

    d. With priority over any procedural requirements under applicable corporate laws and regulations in the state.

19. Authority's Powers in Resolution and Settlement

    The Authority shall exercise its powers in resolution and settlement concerning a holding company, subsidiary, or branch of the licensed person, following coordination with the relevant authorities.

20. Recovery of Expenses

    The Authority may recover reasonable expenses incurred in relation to the exercise of its resolution and settlement powers.

21. Removal of Obstacles to Resolution and Settlement

If the Authority determines that obstacles exist preventing the resolution and settlement of the licensed person or an entity within its group, the Authority may require the licensed person to take measures deemed reasonably necessary by the Authority to remove or mitigate the impact of such obstacles.

22. Immunity for Actions Taken in Good Faith

Neither the licensed person, any entity within its group, nor any of its directors, employees, or persons appointed by the Authority shall be held liable for actions taken or omitted in good faith to comply with the Authority's requirements concerning the exercise of its resolution and settlement powers.

23. Recognition of Foreign Resolution and Settlement Actions

If a resolution and settlement authority outside the State or within a financial free zone notifies the Authority of its intention to take or has taken resolution actions concerning an entity within its jurisdiction and requests the Authority to recognize such actions, the Authority may decide to fully or partially recognize the action or refuse recognition.

24. Issuance of Regulations for Resolution and Settlement

The Authority may issue regulations concerning the enhancement of the resolvability of the licensed person and the exercise of its resolution and settlement powers.

Article (56): Priority of Debt and Other Obligations Settlement

Subject to the powers and procedures exercised by the Authority under Articles (54) and (55) of this Decree-Law, any amounts due for payment by a licensed person identified as systemically important under Article (52) of this Decree-Law, and subject to resolution and settlement procedures by the Authority, shall be settled after completing central clearing operations in the following order of priority:

1. Secured creditors with movable or immovable property, to the extent of their security interest in the pledged property.
2. Outstanding wages, salaries, and other employment-related benefits unpaid during the six (6) months immediately preceding the commencement of resolution and settlement.
3. Reasonable expenses incurred by the Authority or any appointed administrator for managing the resolution and settlement, including fees and costs associated with the resolution process.

4. Rights of the licensed person's clients and beneficiaries, with the Authority having the discretion to allocate specific assets or proceeds from transferred assets to fulfill these rights.
5. Rights of other creditors, according to their priority under applicable legislation.
6. Rights of partners or shareholders of the licensed person.

Article (57): Publication of Resolution and Liquidation Announcement

1. In the event of resolution, settlement, or liquidation of a licensed person identified as systemically important under Article (52) of this Decree-Law, the announcement must be published in both Arabic and English in two daily newspapers or through a medium specified by the Authority within no less than three (3) business days from the date of the decision. The announcement must include:
    a. A grace period of no less than three (3) months from the publication date to allow the licensed person's clients to take necessary measures to safeguard their rights.
    b. The name of the entity tasked with resolution and settlement, its contact channels, and its responsibilities, or the appointed liquidator and their responsibilities.

2. If resolution, settlement, or liquidation occurs due to the removal of the licensed person from the register of licensed persons, the Council or its delegate may specify in the removal decision the closure date of the licensed person and the entity tasked with resolving or liquidating any pending operations as of that date.

Article (58): Cooperation Between the Authority and Judicial Authorities

1. The Authority may submit requests to judicial authorities, in accordance with applicable legislation and their jurisdiction, to monitor communications of any person suspected of violating the provisions of this Decree-Law or its implementing decisions, prevent their travel, freeze their bank accounts, seize their financial products, or impose specific measures or obligations to comply with the Authority's requirements in cases of suspected violations. Judicial authorities shall issue the necessary orders urgently, in accordance with applicable legislation.

2. Judicial authorities must notify the Authority of any investigations or actions taken against persons under the Authority's supervision, as well as decisions and judicial rulings issued in related cases.

3. The Authority shall provide judicial authorities with any clarifications, data, or information deemed appropriate and may intervene in such cases if necessary. The Authority may also publish summaries of judicial rulings and decisions through a medium it determines, subject to applicable legislation in the State.

Article (59): Cooperation Between the Authority and Relevant Entities and Regulatory Authorities

1. The Authority may cooperate with relevant entities, regulatory authorities in free zones and financial free zones, and foreign regulatory authorities for purposes of information exchange, investigation, or inspection, through the following:
   a. Sharing information or documents required for investigation, inspection, or identifying persons or entities that may assist in the requested matter.
   b. Attending investigation or inspection sessions related to the matter for which assistance is requested.

2. The Authority may require the relevant entity or regulatory authority to maintain the confidentiality of the information and documents provided.

3. The Authority may reject a request from a relevant entity or regulatory authority if fulfilling the request would breach confidentiality requirements, public interest, or public order, or contravene applicable legislation, or if reciprocity is not observed.

4. The Authority may suspend a request from a regulatory authority until the costs of the requested assistance are recovered, if fulfilling the request entails financial costs or fees.

5. The Authority may, under this Decree-Law and related legislation, require any person to implement specific procedures or obligations in execution of relevant international agreements or treaties applicable in the State.

6. All entities within the State, including free zones and financial free zones, must provide the Authority with information or data it requests, provided it relates to the implementation of this Decree-Law and related legislation.

7. The Authority may share any information, data, documents, or records it obtains with any other entity within or outside the State, in accordance with applicable legislation and the Authority's jurisdiction, provided it does not conflict with public interest requirements.

Article (60): Reporting Violations

1. Any person may report suspected violations of the provisions of this Decree-Law and related legislation to any of the following entities:
   a. The Authority or any capital market institution.

b. The entity where the person is employed.

c. The compliance officer of the entity where the person is employed.

d. The Public Prosecution or any judicial authority.

2. The reporting person shall enjoy legal protection, including:

   a. Immunity from criminal, civil, or contractual liability arising from the report.

   b. Protection from claims for compensation resulting from the report.

   c. Protection from termination of employment or any action taken by their employer due to the report.

3. The reporting person may claim compensation if they suffer harm.

4. The Authority may receive reports of suspected violations of this Decree-Law and related legislation and take appropriate action. Documents submitted by the reporting person shall constitute evidence or legal proof in any legal or judicial proceedings initiated by the Authority.

5. The reporting person’s information shall remain confidential and may only be disclosed to judicial authorities or with their written consent.

6. The Authority shall issue a decision regulating the receipt of reports from reporting persons, the handling of such reports, and may determine a financial reward for the reporting person, payable from sources specified by the Authority.

Article (61): Obstruction of the Authority's Work

No person may engage in any act or conduct that results in obstructing the Authority's work or its exercise of its powers in accordance with the provisions of this Decree-Law and the relevant legislation, including but not limited to the following:

1. Destroying any documents, records, or files.
2. Refusing to provide or submit any information or documents requested by the Authority.
3. Submitting information or documents known to be misleading, false, forged, or altered.
4. Failing to appear for investigation at the specified time and place without a valid excuse.

5. Refusing to provide any assistance related to an investigation that the person is capable of providing.

Article (62): Evidence

1. Evidence may be established by all means of proof in the application of the provisions of this Decree-Law and the relevant legislation, whether by traditional or digital means, such as correspondence, electronic data and records, audio and visual recordings.
2. The orders and instructions of a person regarding the sale and purchase of securities or foreign securities, their timing, analysis of trades, and the conduct of the person under investigation shall be considered evidence and presumptions that may be relied upon to prove a violation of the provisions of this Decree-Law and the relevant legislation.

Article (63): Grievance Against Decisions Issued by the Authority

1. A committee called the "Grievance Committee" shall be established within the Authority, tasked with reviewing grievances against administrative penalties, measures, and decisions issued by the Authority under this Decree-Law and the relevant legislation. The Authority shall issue a decision regulating the committee's procedures and operational controls.
2. The Authority may engage individuals from outside the Authority to serve as members of the "Grievance Committee" and determine their financial compensation.
3. A grievance against the Authority's decision may be submitted within thirty (30) days from the date of notification of the decision.
4. The complainant may request the committee to suspend the implementation of the contested decision, and the committee may decide to suspend implementation if it determines that executing the decision would result in severe and irreparable harm.

Article (64): Amicable Settlement

Without prejudice to the right to litigation or arbitration, disputes related to the provisions of this Decree-Law and the relevant legislation may be resolved through amicable settlement. The amicable settlement between the disputing parties shall be documented with the Authority in a reconciliation record that has the force of an executive instrument.

Article (65): Penalties and Administrative Measures

1. Without prejudice to the penalties stipulated in this Decree-Law, the Council shall issue a regulation specifying violations, penalties, and administrative measures for acts committed in violation of the provisions of this Decree-Law and the relevant legislation. The Council of Ministers and the Ministry of Finance shall be notified of this regulation, which shall include the Authority's power to impose one or more of the following penalties and measures:

    a. Warning.

    b. Reprimand.

    c. Financial fine not exceeding AED 200,000,000 (two hundred million dirhams).

    d. Financial fine not exceeding ten times the profit gained or the loss avoided by the violator.

    e. Late payment fine, in cases of failure to pay the amount due to the Authority, not exceeding the due amount, or failure to fulfill any obligations stipulated under this Decree-Law and the relevant legislation, not exceeding AED 5,000,000 (five million dirhams).

    f. Suspension of the violator from dealing in their account—personally or through others—or for the account of others, for a period not exceeding three (3) years.

    g. Suspension of the violator from dealing in a specific financial product for a period not exceeding three (3) years.

    h. Suspension of any member of the licensed person's board of directors, executive management, or employees for a period not exceeding one (1) year, or suspension of their performance of specific tasks.

    i. Revocation of the license of the licensed person or cancellation of the approval or registration granted to them for all financial activities or a specific financial activity, or dismissal of any member of their board of directors, executive management, or prohibition of any of their employees from working.

    j. Suspension or dismissal of any member of the issuer's board of directors, executive management, or employees, or barring them from membership for a period not exceeding three (3) years.

    k. Suspension of the accredited person from performing one or more accredited functions for a period not exceeding one (1) year, or revocation of their accreditation, or restriction of their performance of certain tasks.

    l. Prohibition of the person from holding any position or being employed by any licensed entity for a specified period.

    m. Suspension of any financial activity conducted without a license, approval, or registration, and closure of the premises where the violator conducts such activity, as well as suspension of any job functions performed without accreditation from the Authority.

The Authority may, in all cases, seize any funds, documents, electronic or digital data, or other items, including programs, systems, devices, or tools related to such practices, and impose appropriate penalties on the violator, whether they are a partner, board member, executive management employee, or others, and refer them to the Public Prosecution.

2. The regulation specifying violations, penalties, and administrative measures referred to in Clause (1) of this Article shall determine the Authority's power to impose penalties for acts committed in violation of the provisions of this Decree-Law and the relevant legislation.
3. The Authority may seek assistance from law enforcement agencies or any other competent entities it deems appropriate to enforce its decisions when necessary.
4. The Authority may impose one or more of the penalties or administrative measures specified in Clause (1) of this Article in cases of refusal, breach, or delay in implementing any measure, penalty, or decision issued by the Authority.
5. The Authority may impose one or more of the penalties or administrative measures on the licensed person for violations committed by their employees or affiliated persons, without prejudice to any direct measure or penalty imposed on the violator.
6. The Authority may amend, withdraw, or cancel any penalty or administrative measure or suspend its implementation if justified, at its discretion.
7. The Authority may impose any of the penalties or administrative measures specified in Clause (1) of this Article on matters under investigation or review by judicial authorities.
8. The Authority may publish the names of violators and the penalties and administrative measures issued against them on its official website or any other medium it deems appropriate, in accordance with its issued regulations.
9. The Authority may form an advisory committee of experts and specialists from outside the Authority to provide opinions on the results of investigations into violations and the decisions to be taken.

Article (66): Cases of Suspension or Revocation of License, Approval, Registration, or Accreditation

1. The Authority may suspend the licensed person from practicing all financial activities or a specific financial activity for a period not exceeding twelve (12) months or revoke their license, approval, or registration in any of the following cases:

   a. Loss of a condition required for licensing, approval, or registration under the provisions of this Decree-Law and the relevant legislation.

   b. Failure to pay prescribed fees or refusal to pay imposed fines in accordance with the regulations determined by the Council.

   c. Refusal to implement decisions issued by the Authority.

   d. Breach of financial solvency requirements established by the Authority.

e. Deficiency in the capital or guarantee specified in the decisions issued by the Authority, and failure to cover the deficiency within the period specified by the Authority.

f. Failure to engage in financial activities after the issuance of the license within the period specified by the Authority.

g. Refusal, delay, or procrastination in providing information to the Authority upon request, or providing false, misleading, forged, or altered information, or concealing any information that leads to deception or misrepresentation.

h. Refusal by members of the Board of Directors, executive management, or any employees of the licensed person to cooperate with the Authority or any of its inspectors.

i. Making any amendments to the Articles of Association or the Memorandum of Association without obtaining the Authority's approval.

j. Declaration of bankruptcy or compulsory or voluntary liquidation of the licensed person.

k. Violation of any obligations stipulated in this Decree-Law and related legislation.

l. Any other cases determined by the Authority.

2. The license, approval, or registration shall be revoked if the reason for suspension persists beyond the suspension period specified in Clause (1) of this Article, unless the Authority decides to extend this period at its discretion.

3. Following suspension or revocation, the Authority may require the licensed person to settle and terminate all transactions preceding the suspension or revocation and maintain the guarantee in accordance with its decisions.

4. After suspension or revocation, the Authority may designate an entity to assume the responsibilities of the licensed person whose license, approval, or registration has been suspended or revoked, based on the nature of the activity and in accordance with the conditions and requirements it deems appropriate.

5. The Authority may suspend or revoke the approval of one or more functions of the accredited person or restrict their performance of certain tasks in the cases specified in Clause (1) of this Article, as applicable.

Article (67): Rectification of Violations

1. The Authority may require the entity or person under its supervision to rectify violations within a specified period. It may impose appropriate administrative penalties and measures in case of non-compliance with the rectification procedures or the specified period set by the Authority.

2. The Council may assign a specialized entity to monitor the rectification of violations when necessary, with the violator bearing the costs thereof. The assigned entity and its employees shall be held liable for any damage or error resulting from collusion, negligence, or misconduct, or for the disclosure of information. The Authority may impose subsequent penalties for failure to comply with rectification requirements.

Article (68): Assessment of Imposed Penalties

The Authority may increase or reduce penalties based on the following considerations:

1. The expertise or category of the license held by the violator.
2. The impact of the violation.
3. The duration of the violation.
4. The frequency of committing the same violation.
5. The violator's record of previous violations.
6. Any other considerations deemed appropriate by the Authority, such as the size of the licensed person's operations or their capital.

Article (69): Notification of Penalty or Administrative Measure

The Authority shall notify the violator of the decision issued against them within a period not exceeding ten (10) business days from its issuance. The notification shall include the following:

1. Identification of the violating act and the legal provision related to the violation.
2. The penalty or administrative measure imposed on the violator.
3. The effective date of the decision.
4. The mechanism and timeframe for implementing the penalty.

5. The Authority's right to impose another penalty or administrative measure in case of non-compliance, breach, or delay in implementing any measure, penalty, or decision issued against the violator.
6. The violator's right to appeal the decision within the legally specified period.

Article (70): Authority to Grant Exemption from Administrative Measures or Penalties

The Authority may exempt any person or entity from all or part of the administrative measures and penalties if they disclose to the Authority their commission of a violation of the provisions of this Decree-Law and related legislation, along with their willingness to remove or rectify the violation. Such disclosure must occur before the Authority or judicial authorities become aware of it.

Article (71): Penalties

A penalty of imprisonment for a period not less than one year and a fine not less than fifty thousand dirhams (AED 50,000) and not exceeding two hundred fifty million dirhams (AED 250,000,000), or either of these penalties, shall be imposed on anyone who commits any of the following acts, whether the result is achieved or intended to be achieved:

1. Engaging in or practicing any financial activities subject to the provisions of this Decree-Law and related legislation, or performing any tasks or activities related to such financial activities without obtaining a license, approval, registration, or accreditation from the Authority.
2. Intentionally including false, misleading, or non-compliant information in the issuer's or foreign issuer's documents, reports, offering prospectuses, or related advertisements, or altering or modifying such information after submission to the Authority, or signing or distributing them with knowledge of their inaccuracy.
3. Intentionally broadcasting, disseminating, or providing false, misleading, or non-compliant news, information, or statements, or deliberately spreading misleading rumors that could affect the integrity or stability of the financial market.
4. Intentionally engaging in any act or trading operation on a financial product to create a false or misleading impression of actual trading or genuine demand for the product, or to manipulate or influence its price, whether to increase, decrease, or stabilize it, or to affect market trading volume or investor decisions, in violation of the provisions of this Decree-Law and related legislation.
5. Trading in a financial product based on insider information, disclosing such information to others, or encouraging any person to trade in the financial product based on such information, with knowledge of its confidential nature and potential impact on the product's price.

6. Intentionally refraining from disclosing material information in accordance with the provisions of this Decree-Law and related legislation.
7. Providing the Authority with false or misleading information or data, or submitting forged or altered documents, with knowledge of their inaccuracy or alteration.
8. Intentionally concealing information or documents requested by the Authority in accordance with the provisions of this Decree-Law and related legislation, or intentionally refraining from providing them, or committing any act to obstruct or hinder the Authority's investigation, inquiry, or inspection activities, or deliberately disrupting the investigation session.
9. Violating the provisions of Articles (34), (35), (36), and paragraphs (D) and (E) of Clause (1) of Article (37) of this Decree-Law.

Article (72)

Penalties for Violations

A penalty of imprisonment for a period not exceeding one year and a fine of no less than fifty thousand dirhams (50,000 AED) and not exceeding fifty million dirhams (50,000,000 AED), or either of these penalties, shall be imposed on anyone who intentionally commits any of the following acts:

1. Falsely presenting oneself as licensed, registered, accredited, or approved by the Authority to engage in any financial activity subject to the provisions of this Decree-Law or any related tasks or activities, with the intent to mislead others or to gain personal or third-party benefits without obtaining the Authority's approval.

2. Submitting a false report regarding an act that constitutes a violation of the provisions of this Decree-Law or related legislation, with the intent to harm others or mislead the Authority, while being aware of the falsity of the report.

Article (73)

Supplementary Penalties

1. In addition to the penalties stipulated in this Decree-Law, the court may impose one or more of the following measures:

   a. Prohibition from engaging in the financial activity related to the offense for a period not exceeding five (5) years.

b. Revocation of accreditation or disqualification from practicing the profession for a period not exceeding five (5) years.

c. Disqualification from membership in the board of directors of the issuer for a period not exceeding five (5) years.

d. Permanent revocation of the license, approval, or registration required to engage in the financial activity.

e. Confiscation of seized funds and items in favor of the state, with the possibility of allocating them to the Authority in accordance with applicable financial legislation.

2. The imposition of any of the measures stipulated in Clause (1) of this Article shall be mandatory in cases of recidivism.

3. The court may order the publication of the conviction judgment at the expense of the convicted party through the means it deems appropriate.

4. The Authority may publish summaries of final judgments issued in criminal cases initiated at its request, through the means it deems appropriate, in compliance with the applicable legislation in the state.

Article (74)

Accomplices, Instigators, and Participants

The penalties, measures, and administrative sanctions stipulated in this Decree-Law shall apply to anyone who conspires, incites, causes, or participates in committing any crime or violation provided for in the provisions of this Decree-Law and related legislation.

Article (75)

Settlement of Crimes and Violations

1. The Authority may, prior to initiating criminal proceedings, settle with the violator in crimes stipulated in this Decree-Law, in accordance with the regulations issued by a decision of the Council of Ministers.

2. If the settlement is not reached within the specified period or if the violator rejects its terms, the Authority must refer the matter to the competent Public Prosecution to initiate criminal proceedings.

3. The competent Public Prosecution may, after initiating criminal proceedings and before a final judgment is issued, settle with the violator in accordance with the same regulations mentioned in Clause (1) of this Article.

4. Settlement results in the termination of criminal proceedings or the suspension of the penalty if the settlement is reached before a final conviction is issued, without prejudice to the injured party's right to claim compensation before the civil courts. Settlement has no effect if it occurs after a final judgment is issued.

5. The settlement does not extend to penalties of confiscation or any measures related to funds or proceeds derived from the crime. These penalties and measures remain enforceable regardless of whether the settlement occurs before or after a final judgment is issued.

Article (76)

Non-Liability of the Authority

1. The Authority shall not be held liable for any breach, non-compliance, or violation committed by those subject to the provisions of this Decree-Law or related legislation, or for any breach, non-compliance, or violation of decisions issued by any capital market institutions.

2. The Authority shall not be held liable for any documents, records, electronic or digital information, or other materials provided to it that are forged, falsified, incorrect, or involve fraud or manipulation.

3. Exceptions to Clauses (1) and (2) of this Article include cases of bad faith, fraud, gross negligence, or serious error.

Article (77)

Exemption from Certain Authority Decisions

1. The Authority may, upon receiving a written request from any person, exempt them from the application of any provisions contained in the Authority's decisions, either fully

or partially, or condition the exemption on terms it deems appropriate, or reject the request.

2. If the Authority approves the exemption, it may apply the exemption to others in the interest of equality and fairness, provided the same conditions apply to them and the exemption does not negatively or materially affect the applicant or the public interest.

3. The Authority may revoke or amend the exemption if the conditions or restrictions specified in the approval are not met, or if subsequent events or circumstances arise that harm the public interest.

4. The Authority's decisions shall specify the mechanism for submitting exemption requests.

Article (78)

Communication with the Authority

Communication with the Authority shall be conducted through authorized channels and by the person with the appropriate capacity or their authorized representative. No request, complaint, or grievance submitted by an unauthorized or unqualified person shall be considered. The person shall bear responsibility for communicating with the Authority using their documents, email, or any other means of communication, and for any unauthorized persons acting on their behalf.

Article (79)

Judicial Enforcement Authority

Employees of the Authority, designated by a decision of the Minister of Justice upon the recommendation of the Chairman of the Board, shall have the capacity of judicial enforcement officers to document violations of the provisions of this Decree-Law and related legislation. They are authorized to prepare necessary violation reports and may seek assistance from police officers, law enforcement agencies, or other competent entities deemed appropriate to implement the Authority's decisions when necessary.

Article (80)

Draft Regulations, Guidelines, and Circulars

The Authority shall notify relevant parties of draft regulations, guidelines, circulars, and other decisions related to the regulation of the capital market sector in the state prior to their issuance, allowing them to provide feedback within the period specified by the Authority. Such notification shall include a copy of the draft, a summary thereof, and a statement of its purpose. This provision does not apply in the following cases:

1. If the notification would cause a delay that could harm the capital market sector in the state, as determined by the Authority.

2. If the draft aims to amend formal, typographical, or supplementary errors.

Article (81): Publication and Interpretation

1. The Authority shall be obligated to publish the regulations, bylaws, manuals, circulars, and resolutions issued by it in execution of the provisions of this Decree-Law and the relevant legislation, in the manner it deems appropriate.

2. The Authority may define and interpret all technical terms mentioned in this Decree-Law and the Authority's Law.

Article (82): Continuation of Existing Legislation

The resolutions issued by the Cabinet and the Authority prior to the enforcement of this Decree-Law and the relevant legislation shall remain in effect to the extent that they do not conflict with the provisions of this Decree-Law and the relevant legislation, until the necessary resolutions for implementing the provisions of this Decree-Law and the relevant legislation are issued.

Article (83): Adjustment of Status

All entities and individuals subject to the provisions of this Decree-Law and the relevant legislation shall be obligated to adjust their status in accordance with its provisions within one year from the date of enforcement of this Decree-Law. The Council may extend this period as it deems appropriate.

Article (84): Repeals

Any provision that contradicts or conflicts with the provisions of this Decree-Law shall be repealed.

Article (85): Publication and Enforcement of the Decree-Law

This Decree-Law shall be published in the Official Gazette and shall come into effect as of January 1, 2026.

Mohammed bin Zayed Al Nahyan

President of the United Arab Emirates

Issued by us at the Presidential Palace - Abu Dhabi

Date: 09 Rabi' Al-Akhir 1447 AH

Corresponding to: October 1, 2025 CE