

ISSUER GUIDE FOR IMPLEMENTATION OF MULTI NINS

Version 1.1

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Document History

No.	Date	Description of Changes
1.	30/09/2019	Final version for issue
2.	15/01/2020	Updated document title and process for applying additional NINs.

1. Criteria for Applying for More than One Investor Number

- 1.1. Pursuant to amendments to Article 35 of Decision No. (3\R) Of 2001 Concerning The Regulations As To The Functioning Of The Market by the Securities and Commodities Authority which provides for Dubai CSD to assign more than one Investor Number(NIN) for an investor, certain investors will be permitted to apply for and use more than one Investor Number(NIN) from the effective implementation date.
- 1.2. The following are the criteria for investors to apply for more than one NIN:
 - 1.2.1. An existing investor with a NIN under a local custodian who requires segregation of assets or, for back up purpose, wants to use:
 - 1.2.1.1. one or more NIN either under the same local custodian;
 - 1.2.1.2. one or more NIN under a different local custodian;
 - 1.2.1.3. a direct NIN in addition to NIN with local custodian which shall be restricted to one direct NIN.
 - 1.2.2. An existing investor having an existing direct NIN who is going to use the services of a local custodian.

2. Impact of Additional NINs

2.1. Trades

- 2.1.1. All the investor's NINs will be linked together for purposes of enforcing any applicable Individual Ownership Limits imposed by issuers.
- 2.1.2. This means that all the investor's NINs cannot have orders which exceed the prescribed Individual Ownership Limit, where applicable.
- 2.1.3. Trades cannot be executed above the applicable Individual Ownership Limit.
- 2.1.4. If any Individual Ownership Limits were to be breached for whatever reasons, Dubai CSD reserves the right to implement measures to reduce the investor's aggregate holdings to comply with the prescribed Individual Ownership Limit including but not limited to conducting a forced-sale in consultation with the investor.

2.2. Cash Type of Corporate Action Event

- 2.2.1. Any cash type of corporate action (CA) event for each of the investor's linked NINs will be paid to the respective local custodian having the NIN and to the investor with respect to the direct NIN and in accordance to whether each NIN holds Owned share balances.
- 2.2.2. For example, if investor A has four NINs as follows: NIN1234 with Local Custodian A – 1,000 shares; NIN4567 with Local Custodian B – 10,000 shares, NIN2345 with Local Custodian C – 0 shares and a direct NIN7890 – 20,000 shares, the cash dividends will be paid to the following based on Owned share balances held under each NIN:
 - i. Local custodian A for NIN1234;
 - ii. Local Custodian B for NIN4567;
 - iii. Investor A for NIN7890.
- 2.2.3. Payments will be made to the relevant payment method (ie. bank account or iVestor Card) registered with DFM by Local Custodian A, Local Custodian B and Investor A respectively.

2.3. Securities Type of CA Event

- 2.3.1. All securities type of CA event will be calculated based only on the balances under each account of each NIN and credited accordingly.
- 2.3.2. Each NIN will be treated separately; there will be no aggregation of balances under different NINs of the same investor for CA entitlement. An investor may potentially lose out on securities type of CA events if the investor maintains more than one NIN.

Example: CA event type is a 2 for 1 bonus issue. An investor has 2 different NINs – NIN1234 with Local Custodian A and NIN4567 with Local Custodian B. Each NIN has a balance of 1 share. This investor will NOT be entitled for the bonus issue. DFM will not aggregate the balances of the investor's different NINs for corporate actions.

2.4. Company Meetings

- 2.4.1. Each NIN of the same investor will be listed separately in the sharebook issued to listed issuers.
- 2.4.2. *For NINs under custodians, voting will be according to NIN ie. each NIN under a custodian will vote up to the quantity of shares under the NIN although the investor name is the same. The issuer shall not aggregate the different NINs of the same investor under custodians for company meetings.*
- 2.4.3. The existing sharebook format will be modified by creating two additional columns at the end of existing format as follows:
 - 2.4.3.1. First new column – Reference Number:
 - 2.4.3.1.1. This column will show the link reference number for all linked NINs under the same investor if the same investor has other NINs with share balances of the same listed company of the issuer.
 - 2.4.3.1.2. This reference number is only in numeric format in sequential order from 1 to a maximum of 9 digits.
 - 2.4.3.1.3. The purpose of the reference number information is to facilitate sorting to identify all the linked NINs belonging to the same investor.
 - 2.4.3.2. Second new column – Linked NINs:
 - 2.4.3.2.1. This column will show details of the investor's other NINs only if the other NINs has shareholdings of the same listed company.
 - 2.4.3.2.2. If the other NINs of the investor does not have any Owned balance of shares in the same listed company, no record will appear in the first and second new columns.

Example:

- 2.4.4. The NIN for Investor A [NIN ABCD1234] is opened by Custodian ABCD. Investor A decides to use 2 different custodians and another new NIN is opened for Investor A [NIN DEFG2345] with Custodian DEFG. The following are the balances in the accounts for Investor A for listed security by the name of TEST:

Custodian ABCD – NIN ABCD1234 Name: Investor A:	
CDS Registry Account No:11111 shares	100,000
Agent Trading Account No. 22222 shares	200,000
Agent Trading Account No. 33333 shares	500,000

Custodian DEFG – NIN DEFG2345 Name: Investor A:	
CDS Registry Account No:99999 shares	0
Agent Trading Account No. 88888 shares	1,000,000

Sample updated Sharebook format for the above example is as follows:

EST Share Book as on Settlement Date: 11/03/20		TEST Total Shares :																								
Serial No.	NIN	CDS-UPDA	Name	English Nam	Life Status	Client Type	Passpor	Family ID	National ID	Visa No.	Comm Trak	Clia	Cour	Cour	Address	Phone	Fax	Email	Qty	%Qty	Frozen	Last Tran	Payment Preference as	Reference No.	Linked NINs	
1	ABCD1234		INVESTOR A																800,000						1	DEFG2345
2	DEFG2345		INVESTOR A																1,000,000						1	ABCD1234

2.5. Contact Details

- 2.5.1. Queries regarding this new service can be addressed to:
registry@dubaicsd.ae