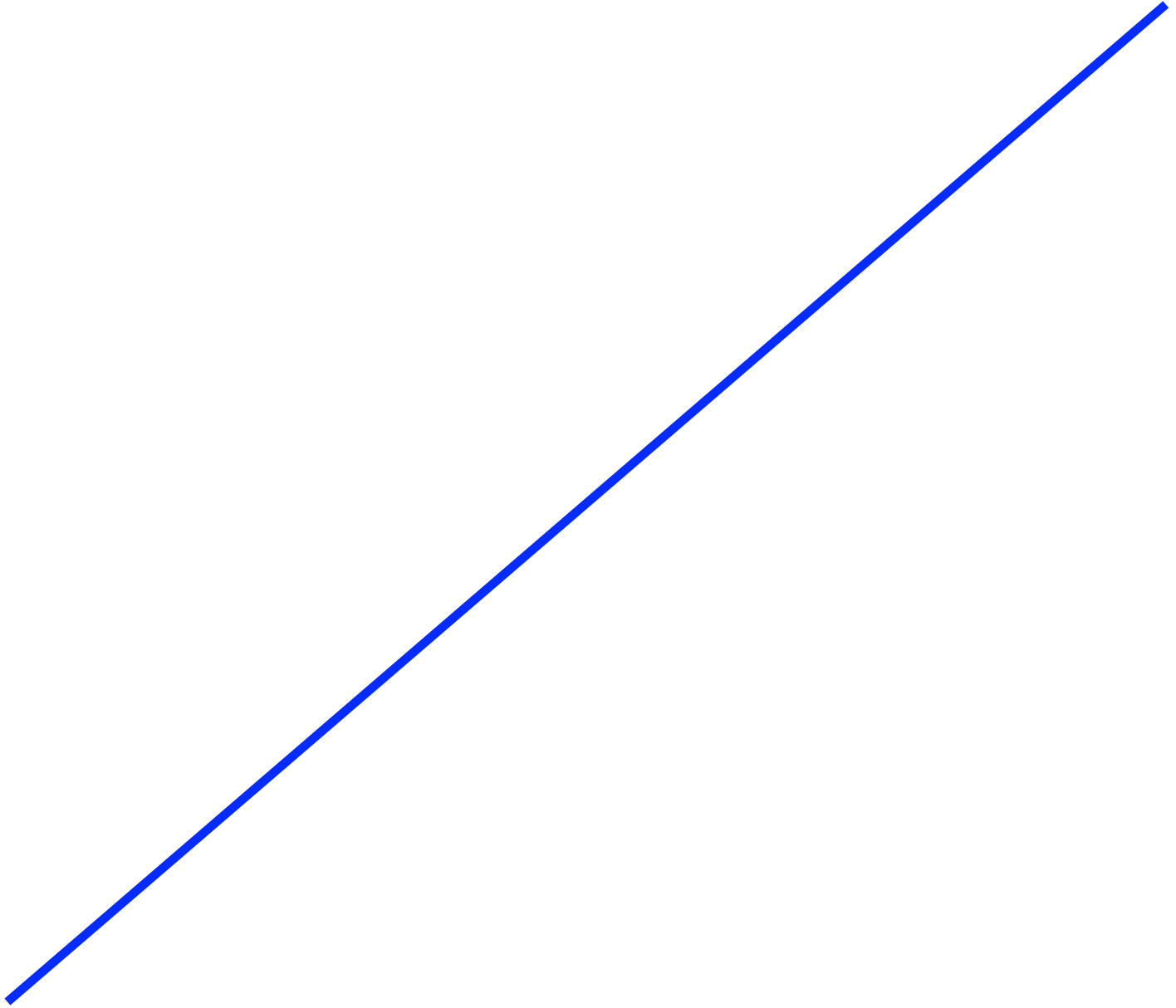




2023

Dubai Central Securities Depository LLC – Omnibus Account Procedures



Document History

Version	Date	Description of Changes
V 1.0	05/04/2023	First issuance.



1. Introduction

- 1.1. This document outlines the procedures in relation to opening Omnibus Accounts.
- 1.2. Omnibus Account means an account for the clients of the entity that obtained the approval of the Depository dealing in its name and for the account of its clients or as defined in the Dubai CSD Rules and the Authority's decision.
- 1.3. Terms used in these Procedures have the meanings specified in the Dubai CSD Rules and the Authority's decisions.
- 1.4. These procedures must be read in conjunction with Dubai CSD Rules. Dubai CSD rules shall prevail in the event of discrepancy.

2. Registration for Operating Omnibus Accounts

- 2.1. Only the following types of entities may be eligible to apply as an Omnibus Account Operator:
 - 2.1.1. Licensed Body by the Authority; or
 - 2.1.2. Foreign entity licensed by an Equivalent Regulatory Authority.
- 2.2. DCSD Members shall ensure that only eligible entities that meet the above criteria may be registered with Dubai CSD for operating Omnibus Accounts. To register an Omnibus account please complete the "Registration to Operate Omnibus Account" form and email it to investorsaffairs@dubaicsd.ae.
- 2.3. For applicants with existing NINs to be registered with Dubai CSD through DCSD Members, Members must ensure the following are submitted to Dubai:
 - 2.3.1. Completed the "Registration to Operate Omnibus Account" form
 - 2.3.2. A document showing that the applicant is eligible as per 3.1 above;
- 2.4. For applicants without an investor number:
 - 2.4.1. In addition to 2.3.1 and 2.3.2
 - 2.4.2. Complete a request for an Investor Number

3. Minimum Requirements for Operating Omnibus Accounts

- 3.1. Omnibus Account Operators shall ensure, in addition to the obligations in section (6) of the Omnibus Account Rules:
- 3.2. a client agreement in place with the beneficial owner to hold securities for the beneficial owner.
- 3.3. client agreement containing at the minimum the following:
 - 3.3.1. type and scope of services;
 - 3.3.2. fees, charges and payment terms;
 - 3.3.3. type and frequency of statements and/or reports to be issued;



- 3.3.4. agreed form of communication between the Omnibus Account Operator and beneficial owner;
- 3.3.5. dispute resolution;
- 3.4. have a resources and technical systems to operate the business of a holding securities for beneficial owners;
- 3.5. to provide the details of Investor in Omnibus Account, (including without limitation the names, nationality, domicile and contact details) to the Depository upon the Depository's request. The Depository shall have the right to provide such information to the Market, Authority, Issuer, or it to the unlisted company;
- 3.6. disclosure of applicable ownership limits;
- 3.7. Dubai CSD reserves the right to request for a copy of the client agreement.

4. Existing Omnibus Accounts

- 4.1. All existing investors operating accounts that fall under the definition of Omnibus Accounts may register with Dubai CSD by using the "Registration to Operate Omnibus Account" form. For Omnibus Account Operators using the services of a Custodian Member of Dubai CSD, registration may be submitted on behalf of the Omnibus Account Operator by the Custodian Member.
- 4.2. Only Omnibus Accounts registered with Dubai CSD will be able to utilize the No Change in Beneficial Owner (NCBO) transfers mechanism to move shares between the Omnibus Account and other NINs related to the same beneficial owner.

5. Handling Ownership Limits

- 5.1. The Omnibus Account Operator may operate either one or all of three of the following NINs as necessary:
 - 5.1.1. For beneficial owners who are Local UAE Nationals;
 - 5.1.2. For beneficial owners who are GCC Nationals;
 - 5.1.3. For beneficial owners who are Foreigners.
- 5.2. The Omnibus Account Operator is responsible for ensuring that NINs are properly used for holding securities for beneficial owners according to the respective nationality groups.
- 5.3. Each of the three NINs will be assigned an Individual Limit in accordance with the limit set by the respective listed companies.
- 5.4. Where the Omnibus Account needs to exceed individual ownership limits due to aggregated shareholdings on individual beneficial owners, an exception may be granted by Dubai CSD subject to the following conditions:
 - 5.4.1. The Omnibus Account Operator confirms that each beneficial owner does not exceed the prescribed Individual Ownership Limit.
 - 5.4.2. The Omnibus Account Operator shall disclose the list of beneficial owners in the manner and timeframe as may be prescribed by Dubai CSD. The beneficiary owner list may also be submitted to directly to Dubai CSD.

5.5. The Omnibus Account Operator must notify Dubai CSD if a beneficiary owner exceeds the applicable individual ownership limit for a Security in addition to meeting any disclosure requirements.

6. Transfer of Securities from and to Omnibus Accounts

6.1. Transfers of Securities between investor accounts and Omnibus Accounts under different NINs related to the same beneficial owner is permitted provided that there is a declaration of no change in beneficial ownership for the transferred Securities.

6.2. The transferor will use the existing transfer process and will provide a confirmation that there is no change in beneficial ownership in the “transfer reason” section. The current fee structure for transfers will be applicable.

6.3. Dubai CSD and/or DFM reserves the right to request for supporting documentation and evidence to support that there is no change in beneficial ownership and may reject the transfer request if there is insufficient evidence to support the no change in beneficial owner transfer request or unwind a processed transfer.



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