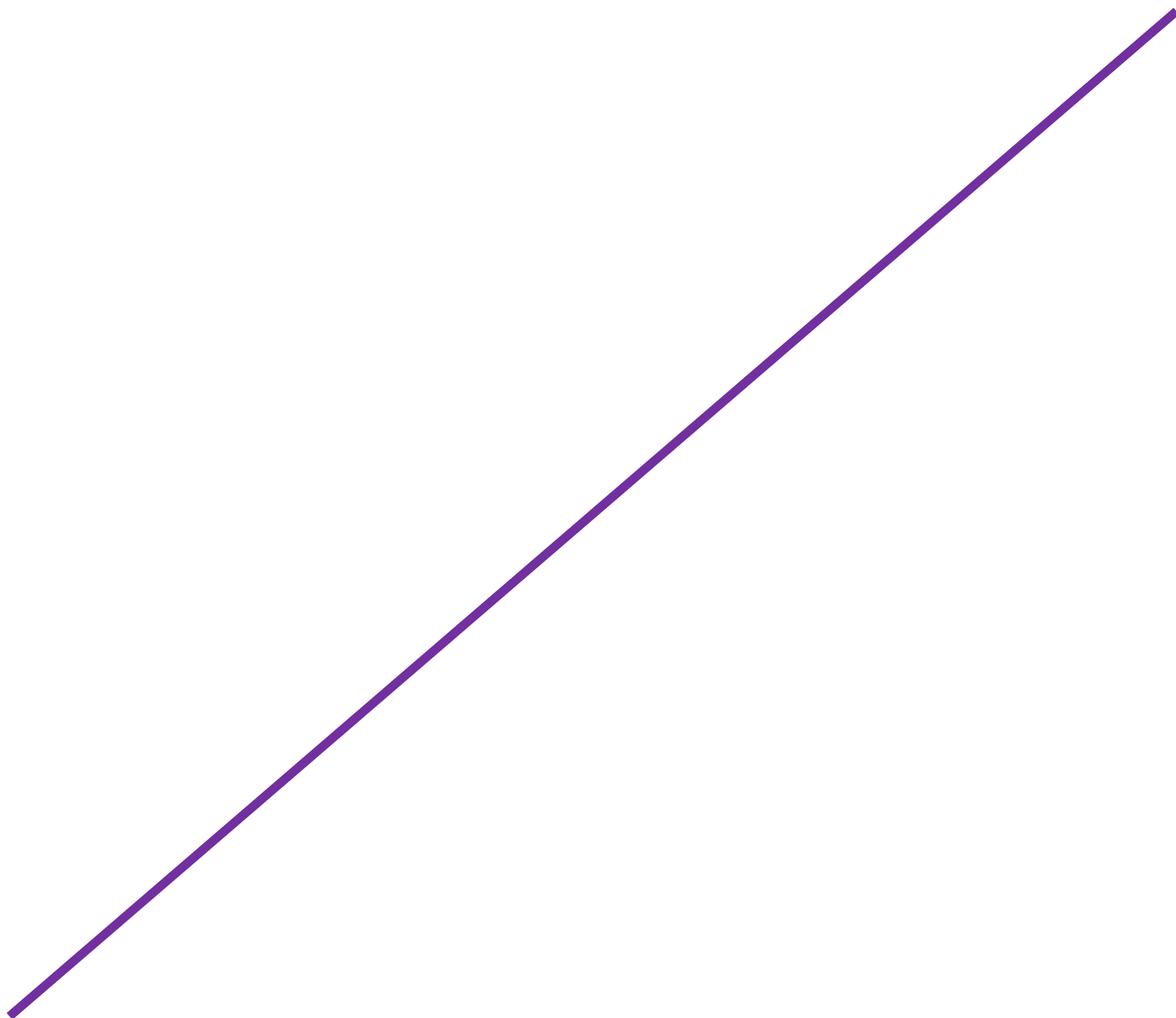


**2022**  
Module One  
General Rules



## MODULE ONE: GENERAL RULES

### Clause

1.	Preliminary.....
1.1	Introduction.....
1.2	Purpose of these Rules .....
1.3	Objectives of the Market.....
1.4	Interpretation .....
1.5	Language .....
2.	General provisions .....
2.1	Publication of Rules.....
2.2	Market's power to supplement, modify and amend Rules or requirements .....
2.3	Procedures.....
2.4	Notifications, communications and recordings.....
2.5	Agreements.....
2.6	Liability .....
2.7	Indemnity .....
2.8	Compliance with Applicable Law and Market's Rules.....
2.9	Equal treatment.....
2.10	Confidentiality .....
2.11	Transitional provisions .....
2.12	Documents and information provided to the Market.....
2.13	The Market information and documents .....
2.14	Fees and other charges .....
3.	Supervision, investigations and contraventions .....
3.1	Supervision, monitoring and investigations.....
3.2	Violation of Market Rules.....

## **1. PRELIMINARY**

### **1.1 Introduction**

This Module contains provisions on:

- (a) the Market's Rules, Procedures and agreements; and
- (b) notifications and communications; and
- (c) liability, indemnification of the Market, waivers and related matters; and
- (d) confidentiality; and
- (e) the Market's powers to supervise, conduct investigations and impose penalties; and
- (f) other general matters deemed relevant by the Market.

### **1.2 Purpose of these Rules**

The purpose of these Rules is to set out the general requirements that must be complied with by all Issuers and Members, their directors, officers or other persons to whom these Rules apply. Failure to comply with any of these Rules will be considered as a contravention, in respect of which the Market may take actions or impose penalties or both, in accordance with Applicable Law.

### **1.3 Objectives of the Market**

Without prejudice to Applicable Law, the Market aims to:

- (a) work to promote and protect the listing and trading of Securities, Derivatives and other financial products within the scope of its powers, as well as to collaborate with the CCP and CSD to control and protect transactions taking place in each; and
- (b) achieve best practices applied in financial markets similar to the Market; and
- (c) in coordination with the competent authorities, contribute to the development of the local financial markets in accordance with applicable policy in the State; and
- (d) monitor and supervise Issuers, Members and other persons to whom the Market's Rules apply with a view to promoting the stability and good governance of such persons and of the Market itself.

### **1.4 Interpretation**

- (a) Where reference is made in the Market's Rules to a rule, regulation or statutory provision, it is a reference to that rule, regulation or statutory provision as amended, and includes a reference to that rule, regulation or statutory provision as specified or applied by or under any other provision, Circular or notice, unless a contrary intention appears.
- (b) Terms in the singular include the plural and vice versa. Terms signifying the one gender also signify the other gender.
- (c) A reference to a 'time' is a reference to a time in the State.
- (d) The headings and sub-headings in these Rules are inserted for reference only and shall not affect the interpretation of the Rules.

- (e) Unless otherwise defined in the Market's Rules, terms shall have the meaning given to them in the Glossary Rules. The terms and expressions defined in the Glossary Rules are also applicable to Circulars and notices, unless otherwise defined in a Circular or notice.

## 1.5 Language

- (a) The Market's Rules are issued in the Arabic and English languages.
- (b) In the event of a conflict between the versions or difficulties in interpretation, the Arabic version shall prevail.

## 2. GENERAL PROVISIONS

### 2.1 Publication of Rules

- (a) The Market shall publish Rules and any amendments thereto on its website and through any other means that may be deemed appropriate by it.
- (b) The Market's Rules shall be effective from the date of publication, unless the Rules specify another effective date.

### 2.2 Market's power to supplement, modify and amend Rules or requirements

- (a) The Market may, where it deems it necessary, impose requirements or conditions in addition to those stated in its Rules.
- (b) Where the Market determines to impose requirements or conditions under Rule 2.2(a), the Market shall notify each affected Issuer, Member or other affected person in writing of such requirements or conditions.
- (c) The Market may modify the required compliance with a Rule or any part of a Rule. If the Market modifies compliance with a Rule or part of a Rule but makes the modified compliance subject to a condition, the Issuer, Member or other affected person must comply with the Rule in its modified form, failing which the unmodified Rule will apply (unless otherwise specified by the Market).
- (d) The Market may change or cancel a decision and make it subject to any condition it deems appropriate at any time and from the date specified by the Market.
- (e) Any exemption granted by the Market to any person in relation to the requirements of the Market Rules shall be limited to the case and period for which the exemption is granted.
- (f) Any omission or delay in exercising any Market rights or powers shall not constitute a waiver thereof.
- (g) The Market may amend a provision of its Rules as set forth in these Rules, after obtaining the approval of the Authority.

### 2.3 Procedures

- (a) The Market may from time to time issue written Market Procedures relating to the operations of the Market, the conduct of Issuers, Members and other affected persons, as well as the communications between such persons and the Market.
- (b) Failure by the person to comply with the Market's Procedures where required under a Rule, is a contravention of that Rule.
- (c) The Market may approve changes to the Market Procedures from time to time and shall notify Issuers, Members, and each other affected person of any such changes before they take effect.

- (d) The Market may publish or communicate Market Procedures by Circular or by other means that it considers appropriate, including by email.

## 2.4 Notifications, communications and recordings

- (a) The Market shall make notifications and other communications in writing. A communication 'in writing' is made either directly to Issuers, Members, and other affected persons or by publishing the communication on the Market's website or both.
- (b) A notification and other communication by the Market shall be deemed to have been received at the time that it has been published on its website or is otherwise properly delivered by the Market.
- (c) Each person to which the Market's Rules apply shall make all disclosures, announcements, applications and any other communications in Arabic and English, as well as submitting related papers and documents in Arabic and English, unless the Market allows a person or class of persons otherwise.
- (d) The Market may record telephone conversations it conducts with its Members, Issuers or any other person to carry out its work and to comply with Applicable Law. Such recordings shall constitute admissible evidence in proving the facts, statements and actions made during such conversations.

## 2.5 Agreements

- (a) The Market may enter into agreements to regulate its relationship with Issuers, Members and other persons. The Market's Rules shall prevail in case of conflict with the terms of such agreements.
- (b) A contravention of a term of such agreement by an Issuer, Member or another person to which the Market's Rules apply constitutes a contravention of the Rules.

## 2.6 Liability

- (a) Subject to Rule 2.6(d), the Market shall have no obligation or liability to any Issuer, Member or any of its Clients, or any other affected person including in the event of:
- (i) any loss or damage (including consequential loss or damage) which may be suffered or incurred or which may arise directly or indirectly in respect of the Market's decisions, acts or activities unless it was caused by the Market's error, fraud, gross negligence or omission; and
- (ii) a Member's or other person's use or inability to use the Market's systems, technology or facilities, including the Trading System and any electronic facilities (including any mobile or other device-based application or website); and
- (iii) any loss or damage in respect of:
- (A) the result of trading, or the suspension, interruption, cancellation or closure of trading; or
- (B) inoperability or malfunction of equipment, software or any other product supplied to a Member or other person, or in respect of its installation, maintenance or removal; or
- (C) the exercise by the Market of a decision-making power; or

- (D) the Market accepting a Member's termination of membership or the Market's decision to suspend or cancel the membership of a Member or listing of an Issuer; or
  - (E) any disclosures of information by the Market, including on its website or through a mobile or other device-based application; or
  - (F) any breach by an Issuer, a Member or other person of its obligations under the Market's Rules.
- (b) The Market makes no warranty, express or implied, and shall have no liability to any person unless it was caused by the Market's error, fraud, gross negligence or omission in respect of, or in connection with, any of the following:
- (i) the correctness, accuracy, timeliness or completeness of Market data or information; and
  - (ii) results obtained from the use of any Market data, information or indices in respect of any Security, product or instrument or index-linked or index-related products, whether in the form of contracts or options or other form; and
  - (iii) the merchantability and fitness for a particular purpose of, or use of, Market data, information or indices; and
  - (iv) any direct, special, indirect or consequential damages (including loss of profits), even when notified of the possibility of such damages; and
  - (v) any instruments or products referencing Market data, information or indices, whether in the form of contracts or options or other form.
- (c) The Market may require an Issuer, Member or other person to which the Rules apply to pay the Market's costs of producing (pursuant to court order, regulatory request or any other legal process) records relating to the business or affairs of such a person, any of its board of directors, Senior Management, officers, partners, Trading Manager, Operation Manager, Representatives, employees, staff or agents.
- (d) Without prejudice to any immunity or defence available to the following persons by statute or in law, none of the following persons is liable for, on account of or in respect of anything done or omitted to be done, any statement made or omitted to be made by such persons or on behalf of such persons in good faith in connection with the discharge or performance of any function or duty, or the exercise or intended exercise of any power under the Market's Rules or any Applicable Law or in respect of any decision made or enforcement action taken or notice of publication in relation to such enforcement action, whether resulting in any loss of profit, costs, damages or damage to reputation or otherwise Unless it was caused by error, fraud, negligence or omission of:
- (i) the Market, the Market's holding company; and
  - (ii) any person acting on behalf of the Market or the Market's holding company, including:
    - (A) any member of the board of the Market or Market holding company or any member of any committee or sub-committee of the Market or the Market's holding company;
    - (B) any officer of the Market or the Market's holding company; or
    - (C) any associate, affiliate or agent of, or any person acting under the direction of the Market or the Market's holding company.

## 2.7 Indemnity

Each Member and Issuer undertakes to indemnify the Market and each of its agents (including each of its subsidiaries, affiliates, associates, contractors, sub-contractors, directors, officers and employees) (each an "**Agent**") against all losses, costs, damages, expenses and liabilities whatsoever ("**Losses**") incurred or suffered by the Market or such Agent where such Losses arose out of or in connection with any wilful, unlawful, reckless or negligent act or omission by the Member or Issuer.

## 2.8 Compliance with Applicable Law and Market's Rules

- (a) An Issuer, Member and each other person to whom or which the Market's Rules apply must:
- (i) comply with all Applicable Law, including decisions and Procedures issued by the Market, as well as the Market's Rules; and
  - (ii) pay all fees levied in accordance with the Market's Rules, laws and related decisions of the Authority.
- (b) A Issuer, Member and each other person to whom or which the Market's Rules apply must:
- (i) comply with the Market's Rules for the duration of their listing, membership or other interaction with the Market (even during periods when Securities are suspended from trading or a Membership or other Market approval is suspended); and
  - (ii) comply and give effect to any decision made, conditions imposed, and instruction, Procedure or Circular issued, by the Market, within the time stipulated by the Market.

## 2.9 Equal treatment

The Market shall offer its services and carry out its supervisory and other functions in accordance with the principle of equality between those of equivalent legal status.

## 2.10 Confidentiality

- (a) Without prejudice to Applicable Law, the Market is prohibited from disclosing confidential information and data communicated to it, subject to paragraph (b).
- (b) The Market may provide such confidential information to the following:
- (i) any of the Market's subsidiaries or Dubai Clear or Dubai CSD subject to a duty of confidentiality being owed by such entity pursuant to a non-disclosure agreement; and
  - (ii) any competent authority, including to such parties as the Market considers fit for the purposes of supervision, investigation and enforcement; and
  - (iii) any financial market, clearing house or other company licensed to carry out clearing, settlement, depository services and registration services, pursuant to Applicable Law and agreements entered into by the Market with such persons; and
  - (iv) any person with which the Market has entered into an agreement or intends to enter into an agreement subject to a duty of confidentiality being owed by such entity pursuant to a non-disclosure agreement; and
  - (v) any person who has entered into an agreement with the Market or intends to enter into an agreement with the Market on the Market's software, systems, procedures and functions, with that person's obligation to maintain confidentiality under the Non-Disclosure Agreement; and
  - (vi) in extraordinary circumstances, as determined by the Market, to enable it to realize its objectives or perform its obligations, after notifying the Authority, or in accordance with Applicable Law.

- (c) Without prejudice to Applicable Law, a Member, Issuer and each other person that is subject to the Market's Rules is prohibited from disclosing confidential information and data communicated to it by the Market.

### 2.11 Transitional provisions

- (a) The Market's Rules and Procedures come into effect on the date they are published on the Market's website, unless otherwise specified by the Market.
- (b) The Market's Rules and Procedures cease to have effect on the date they are withdrawn from the Market's website, unless otherwise specified by the Market, subject to paragraph (c) of this Rule.
- (c) The publication of the Market's Rules in a new or amended form shall not prejudice:
- (i) the rights and obligations of an Issuer, Member or any other affected person under any old rule or any agreement entered into with the Market, including any covenant or declaration unless otherwise provided for in the amended Rules in relation to the Issuer or Member; or
  - (ii) the powers or rights of the Market.

### 2.12 Documents and information provided to the Market

- (a) An applicant must ensure that all documents submitted in compliance with the Market's Rules are submitted to the Market. Amendments to documents submitted to the Market shall be immediately notified to the Market.
- (b) If any of the Market's Rules stipulates that a person should provide information to the Market, that information must be provided in writing unless otherwise specified by the Market. The Market may require that such information or document be provided through an electronic medium or in any other manner determined by the Market.
- (c) Applicants, Issuers and Members shall ensure that any document or information provided to the Market is: clear, unambiguous and accurate, does not contain any omissions, and is not false or misleading.

### 2.13 The Market information and documents

- (a) All documents and information procured by the Market will become and remain the property of the Market.
- (b) The Market may, in its absolute discretion, deal with the documents and information received from the applicants, Issuers and Members as it wishes, including copying, storing in a retrieval system, storing in servers or on a cloud, provided that it acts in accordance with Applicable Law.
- (c) Where the Market publishes, releases or disseminates any information or document for or on behalf of an Issuer or a Member pursuant to these Rules or otherwise, the Market will not be responsible for checking the accuracy, completeness or adequacy of any of the contents of such information or document and not be liable for any loss or damage howsoever arising as a result of publishing, releasing or disseminating the information or document.

### 2.14 Fees and other charges

- (a) An applicant, Issuer and Member shall pay to the Market such fees and charges as may be prescribed by the Market from time to time.
- (b) The Market reserves the right to add or vary any of the fees and charges from time to time as it deems fit.



- (c) All fees due to the Market must be paid on an annual basis in advance.
- (d) Fees and charges paid to the Market are non-refundable.

### **3. SUPERVISION, INVESTIGATIONS AND CONTRAVENTIONS**

#### **3.1 Supervision, monitoring and investigations**

- (a) The Market may, for the purpose of obtaining information about any potential contravention of the Market's Rules or the Market's Procedures or any other matter which it considers to relate to the Market:
  - (i) require the immediate provision by an Issuer, Member or other person of accurate relevant information or documents in such person's possession, custody, power or control (in a format, electronic or otherwise, specified by the Market), where such documents and information relate to Transactions in Securities and Derivatives; and
  - (ii) if any such information or documents cannot be produced, require such person to state to the best of its knowledge and belief where and in whose possession, custody, power or control they are and require the person to take all reasonable steps to produce them or procure their production; and
  - (iii) interview upon notice any member of an Issuer's, Member's or other person's board of directors, their Senior Management, their officers, partners, Trading Manager, Operation Manager, Representatives, other staff or agents (or any relevant staff of such agent) of such person and require each such person to answer questions and provide explanations or require answers and explanations from it and record such answers and explanations electronically or otherwise; and require the attendance, upon notice, of any such person at a specified date, time and place, to answer questions; and
  - (iv) require the provision of information relating to any person who is to be, is or has been one of the relevant staff or other persons listed in paragraph (iii); and
  - (v) send any relevant authorised representative of the Market to an Issuer's, Member's or other person's offices, for the purpose of inspections and investigations to ensure compliance with the Market's Rules and the Market's Procedures.
- (b) No person may do anything to prevent or limit co-operation with a Market investigation.
- (c) An Issuer, Member and each other person subject to the Market's Rules is responsible to the Market for the conduct of its employees and agents. Such conduct shall be treated for the purposes of the Market's Rules as conduct of the Issuer, Member or other relevant person.
- (d) An Issuer, Member and each other person subject to the Market's Rules shall not knowingly provide the Market with any information (including information for the purpose of becoming a Member) which is false, misleading or inaccurate and shall comply or procure compliance with a request by the Market for an explanation or verification of information provided to the Market. If a person subsequently discovers that it has provided false, misleading or inaccurate information inadvertently, it shall immediately notify the Market and submit the correct information together with an explanation.

#### **3.2 General contraventions**

If an Issuer, Member or other person contravenes the Rules or Market Procedures, the Market may take one or more of the actions set forth in Module Four.

