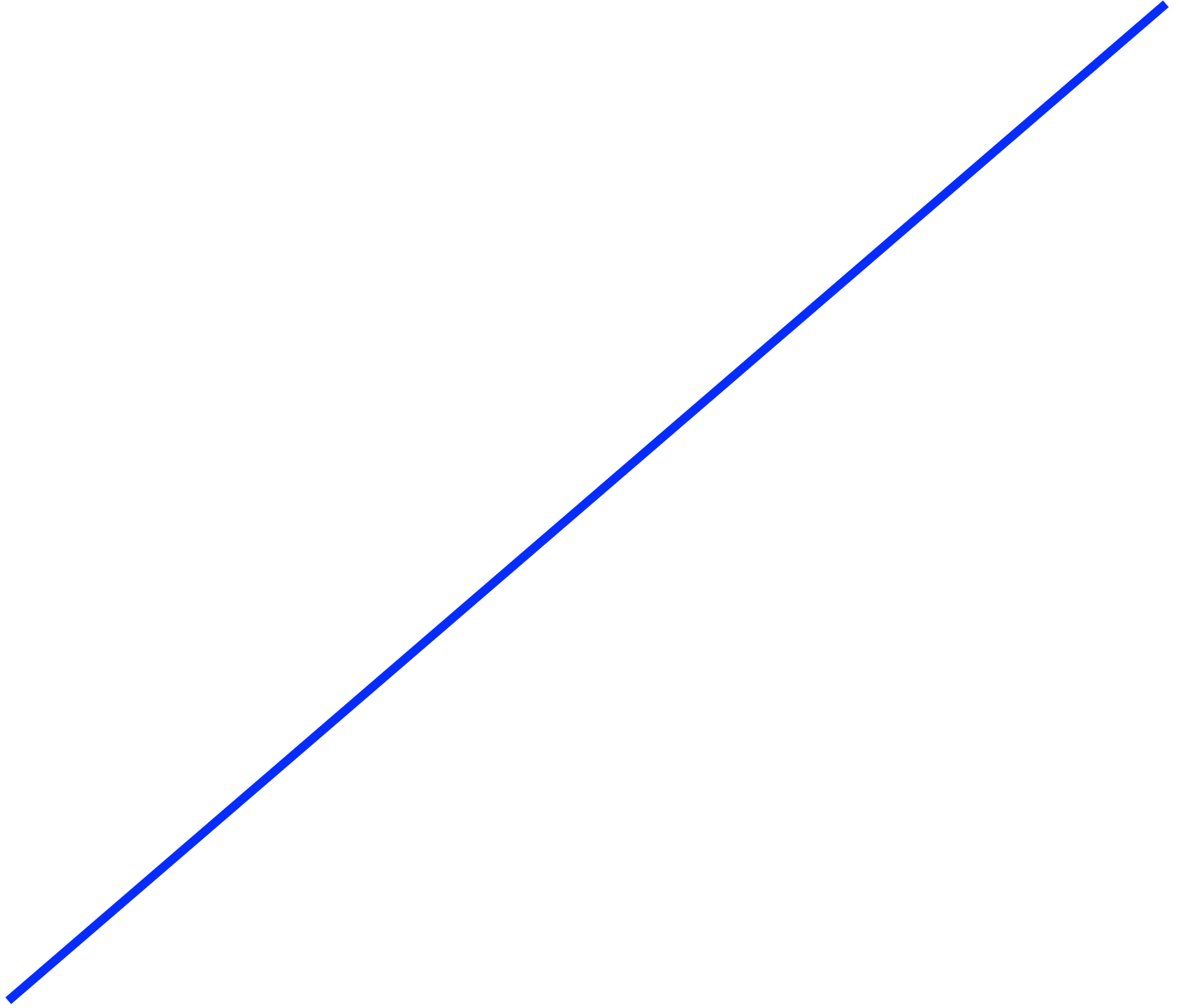


2024

Equities Repo Transactions & Islamic Murabaha Financing Transaction.



Classification: Procedure

Type: Procedure

Title: Equities Repo Transactions & Islamic Murabaha Financing Transactions

Owner: Dubai Clear

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Document History

	Date	Description
1.	01/08/2017	First Version Issued
2.	01/08/2018	Second Version Issued
3.	01/03/2019	Third Version Issued
4.	30/09/2021	Fourth version issued as a result of extending of trading hours
5.	09/05/2024	Add VAT in Fees calculation



1. Overview

- 1.1. This document describes the procedures regarding additional approved reasons for transfers of securities in relation to:
 - 10.1.1. Repo transactions involving DFM listed securities.
 - 10.1.2. Commercial loans provided under Islamic Murabaha financing schemes.
- 1.2. The Dubai Clear Rules approved by the Regulator in relation to this new activity is attached herewith as Appendix 5.

PART 1 - Procedures Regarding Transfers in Relation to Equities Repo Transactions

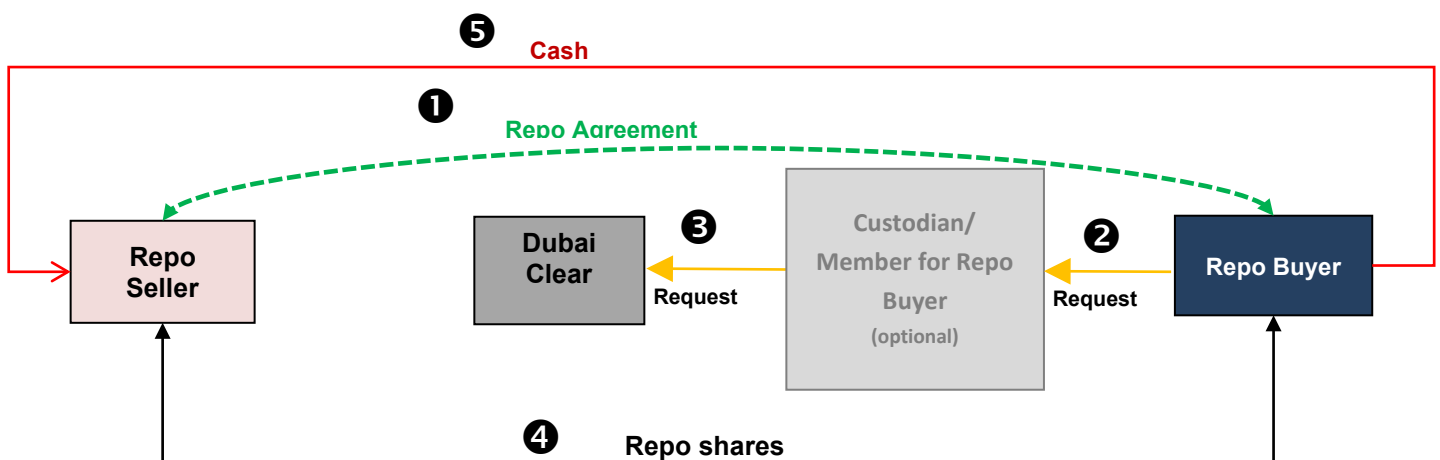
2. Definitions

The following are definitions of terminologies used in this document:

- 2.1 Member means a Trading Member or Trading Clearing Member or custodian or settlement agent.
- 2.2 Custodian means the local Dubai CSD custodian member.
- 2.3 Dubai Clear means the Dubai Clear LLC.
- 2.4 CSD account means the non-tradable registry account of the investor.
- 2.5 DFM securities means DFM-listed securities and for private securities kept under the Dubai Central Securities Depository and does not refer to any fixed income or debt securities not listed on the DFM.
- 2.6 ISDA means the International Securities Dealer’s Association.
- 2.7 GMRA means Global Master Repo Agreement.
- 2.8 Participant means Repo Seller, Repo Buyer or Member.
- 2.9 Repo means specifically repo transactions where the repo securities is DFM listed securities.
- 2.10 Repo Seller means the seller of DFM securities and receiver of cash.
- 2.11 Repo Buyer means the provider of cash and the buyer of DFM securities ie. Cash financier and is restricted to approved investors.
- 2.12 Repo securities means the quantity of securities underlying the repo transaction.
- 2.13 Repo transaction means the settlement transaction facilitated by Dubai Clear based on a request for transfer of securities from the Repo Buyer.
- 2.14 Regulator means the Securities and Commodities Authority of the UAE.
- 2.15 “UAE” stands for the “United Arab Emirates”.

3. Operational Model

Dubai Clear will not be involved in the trading of repos. Dubai Clear ‘s involvement will be in the settlement of repo transactions transacted on an over-the-counter (OTC) basis. The following is a diagram of the operational model:



- 3.1 **1** Both Repo Seller and Repo Buyer must execute a repo agreement as per Section 7 below.



- 3.2 ❷ Only the Repo Buyer will approach either Dubai Clear directly or via their Member or Custodian to submit repo request (Appendix 2) to Dubai Clear together with a copy of notary public-certified true copy (CTC) of the repo agreement (The Original to be submitted to Dubai Clear upon request)
- 3.3 ❸ Member or custodian for Repos Buyer submit repo request together with CTC copy of repo agreement to Dubai Clear.
- 3.4 ❹ Dubai Clear will move quantity of repo securities from Repo Seller's account to Repo Buyer's account and also from the Repo Buyer back to the Repo Seller later for the buy-back transaction when the buy-back transaction happens.
- 3.5 ❺ Cash is settled between the Repo Buyer and Repo Seller directly.

4. Qualified Repo Buyers

- 4.1 Only the following investor categories are eligible to submit a repo settlement request to Dubai Clear:
 - 4.1.1 Any UAE financial institutions (FIs) licensed by the UAE Central Bank;
 - 4.1.2 Any foreign FIs licensed in a jurisdiction as a financial institution or institution permitted to lend monies, provided such institutions provide Dubai Clear a copy of notary public-certified true copy of a regulatory confirmation document that the FI is a regulated entity to lend monies or is authorized to lend monies (The Original to be submitted to Dubai Clear upon request)
- 4.2 The requirement in Section 4.1.2 above is a once-off requirement. Foreign FIs which have submitted the documentary requirement need not submit the document for every transaction.
- 4.3 Repo Buyers shall complete the format as per Appendix 1 in order to qualify as a Repo Buyer.
- 4.4 Dubai Clear may mark the account of the Repo Buyer as 'REPO' so as to identify the repo securities and any subsequent dealing of repo securities thereof.

5. Repo Seller

- 5.1 A Repo Seller shall be required to counter-sign the Dubai Clear Repo Settlement Request Form as per Appendix 2 for submission by the Repo Buyer.
- 5.2 Repo Sellers must use their existing accounts CDS account or the Agent account (for custodian clients) or for settlement of repo securities.
- 5.3 It is not advisable to use the trading account (for non-custodian clients) to settle a repo transaction. If the Repo Seller uses the trading account, the Member of where the trading account is must also sign the designated section of the Dubai Clear Repo Settlement Request Form.

6. Repo Buyer

- 6.1 A Repo Buyer shall, either directly or through its Custodian, submit to Dubai Clear:
 - 6.1.1 The duly completed Dubai Clear Repo Settlement Request Form as per Appendix 2. Where the Repo Buyer uses a Custodian, the Custodian may complete the Form on behalf of the Repo Buyer.
 - 6.1.2 a copy of notary public-certified true copy of the repo agreement between Repo Seller to Repo Buyer (The Original to be submitted to Dubai Clear upon request)
 - 6.1.3 Payment of applicable fees ie. Ensuring that Dubai Clear bank account has been credited with the fee value in readily available funds. Payment receipt is insufficient; and
 - 6.1.4 Copy of fee payment details for Dubai Clear's reference and record purposes.
 - 6.1.5 If the Repo buyer is a DVP client; new Agent account may be created with special account type marked as a REPO and the REPO buyer should inform his trading members to open new trading account with special account type marked as REPO too. The existing Agent Account may be converted to a Repo Account if the DVP client uses the account strictly for Repo purposes.
 - 6.1.6 If the Repo buyer is direct NINs, he can transfer the shares to his broker account (new account marked as a REPO) or to special CDS account, which will not be tradable account and the broker, cannot pull the shares using the stock transfer option.

7. Repo Agreement

- 7.1 The Repo Buyer must ensure that the repo agreement is based on the ISDA/GMRA format.



- 7.2 Failure to comply with this requirement may result in non-approval of the settlement request or unwinding of a settled transaction.
- 7.3 It is the sole responsibility of the Repo Seller and Repo Buyer to ensure that the repo agreement shall contain all the rights and obligations of the Repo Seller and Repo Buyer.
- 7.4 Dubai Clear shall not be responsible for the commercial terms of the repo agreement.

8. Repo Buyer Subsequent Repurchase Transactions

- 8.1 Settlement of any buy-back transactions ie. Repo Buyer selling back to the Repo Seller, shall be initiated by the Repo Buyer.
- 8.2 The Repo Buyer shall complete the request format in Appendix 2 for submission to Dubai Clear.
- 8.3 It is not advisable to use the trading account (for non-custodian clients) to settle the buy-back transaction. If the Repo Buyer uses the trading account, the Member of where the trading account is must sign the designated section of Appendix 2.

9. Indemnity and Undertakings

- 9.1 The Repo Buyer shall acknowledge, agree and undertake jointly and severally to assume the full legal and financial responsibility arising from:
- 9.1.1 The truthfulness, genuine, recentness and completeness of the information submitted to Dubai Clear for the purposes of satisfying the requirements of being qualified as Repo Buyer; and
- 9.1.2 Any violation of rules and procedures issued by Dubai Clear and indemnify Dubai Clear.
- 9.2 The Repo Buyer shall ensure that the relevant ownership limits as prescribed by the issuer, Regulator or Dubai Clear are not breached by the repo transaction and shall take immediate action to rectify any breach.

10. Repo Buyer Prohibited from Buying Own Shares and

- 10.1 A Repo Buyer is prohibited from:
- 10.1.1. Buying the securities where the Repo Buyer is also the issuer of the securities unless approved by the relevant regulator; and
- 10.1.2. Onward pledging repo securities.
- 10.2 Dubai Clear reserves the right to unwind the repo transaction if a breach of this prohibition is subsequently discovered and levy the relevant penalties as may be prescribed from time to time.

11. Disclosures by Repo Seller and Repo Buyer

- 11.1 Repo Buyers and Repo Sellers, as the case may be, shall be solely responsible for ensuring that any applicable regulatory reporting requirements for changes in shareholdings are complied with.
- 11.2 The transfer of repo securities by Dubai Clear shall not be taken as an approval by Dubai Clear in relation to any necessary relevant regulatory approvals which must be obtained first if applicable nor as reporting to Dubai Clear in relation to the regulatory reporting requirement for change in shareholdings.

12. Fees

- 12.1 The fee payable by the Repo Buyer shall be as follows:
- 12.1.1 For transaction from Repo Seller to Repo Buyer:
- 12.1.1.1 A minimum of AED100 or 0.20% (20 basis points) of the value of securities to be transferred based on the last closing price of the securities.
- 12.1.1.2 Fees to be paid via bank transfer to Dubai Clear account number 0412063720929 (IBAN AE370260000412063720929) with Emirates National Bank of Dubai. A copy of the crediting instruction/ or SWIFT message confirmation must also be submitted to Dubai Clear.
- 12.2 For transactions from Repo Buyer to Repo Seller:
- 12.2.1 AED100 per one name of security to be settled.



In addition, a VAT of 5% of the fee will also be invoiced by the Dubai Clear from the VAT effective date to the buyer and seller on all Repo transactions.

13. Penalties

- 13.1 The following actions may be taken against any Participant for non-compliance with the regulations and/or procedures:
- 13.1.1 Suspend the Participant.
 - 13.1.2 Limit the activities or access of the Participant to the services on such terms and for such period as the Clearing House may in its sole discretion determine;
 - 13.1.3 Impose on the Participant a fine not exceeding AED10,000.00; and/or
 - 13.1.4 Reprimand the Participant.

14. Contact Details

- 14.1 All requests are to be sent via email to: clearing&settlement@dubaiclear.ae

Cut-off Times for Submission of Requests

All requests must be submitted by 14.00 UAE time for same business day processing.

PART 2- Procedures Regarding Transfers in Relation to Islamic Murabaha Schemes

15. Application Procedures for Additional Investor Number (NINs)

- 15.1 A Sharia Compliant Financial Institution (SCFI) shall complete the request form format as per Appendix 4 to apply for an additional NIN.
- 15.2 Dubai Clear reserves the right to reject the application if the application is incomplete.
- 15.3 An original notary public certified copy of the SCFI license must be attached with the application by SCFIs.
- 15.4 This additional NIN shall remain active until:
- 15.4.1 The SCFI requests for closure of the additional NIN; or
 - 15.4.2 The usage is terminated by Dubai Clear; or
 - 15.4.3 The SCFI is no longer authorized to conduct the activity for which the additional NIN was requested for.
- 15.5 The SCFI is responsible for ensuring that this additional NIN is used only for activities in which the approval for use of additional NIN is granted.

16. Breach of Ownership Limits or Purpose

- 16.1 Where the SCFI operating more than one NIN exceeds the relevant ownership limits or uses the additional NINs not in conformance with the intended usage, the SCFI shall ensure that immediate measures are taken to rectify the breach.
- 16.2 Dubai Clear, upon approval by SCA, reserves the right to initiate any measures including forcing a sale of securities to rectify any breach without referring to the SCFI if the SCFI fails to rectify the said breach on his own accord.

17. Penalties

- 17.1 Dubai Clear reserves the right to take one or a combination of the following measures in the event of a breach of the procedures in Part 2 herein:
- 17.1.1 Impose a fine.
 - 17.1.2 Stop the SCFI from using more than one NIN.
 - 17.1.3 Transfer or force the sale of securities to rectify any breach of regulations or procedures.

18. Submission of Transfer Request

- 18.1 Transfer requests in relation to Islamic Murabaha scheme are permitted only from a NIN of Sharia compliant financial institution (SCFI) to an investor.



- 18.2 For avoidance of doubt, this means that only the SCFI can transfer from its securities financing NIN to an investor. An investor cannot transfer securities to the SCFI or onward transfer the securities received from the SCFI.
- 18.3 The SCFI shall submit the prescribed format as per Appendix 3 to Dubai Clear.

19. Fees

- 19.1 Dubai Clear shall levy a transfer fee of 0.275% (0.00275) including any other fees as may be prescribed from time to time.
- 19.2 The fee shall be calculated based on either the last closing price of the securities or minimum of AED 100 per company.
- 19.3 Fees to be paid via bank transfer to Dubai Clear account number 0412063720929 (IBAN AE370260000412063720929) with Emirates National Bank of Dubai. A copy of the crediting instruction/ or SWIFT message confirmation must also be submitted to Dubai Clear.
- 19.4 Dubai Clear shall process the transfer request only when the fees is credited to the Dubai Clear bank account in readily available funds.

In addition, a VAT of 5% of the fee will also be invoiced by the Dubai Clear from the VAT effective date to Murabaha's transactions.

Cut-off Times for Submission of Requests

All requests must be submitted by 14.00 UAE time for same business day processing.



Appendix 1



شركة تابعة لسوق دبي المالي ش.م.ع
Subsidiary of Dubai Financial Market PJSC

نموذج تسجيل مشتري الريبو

Repo Buyer Registration Form

Name			الاسم
Business Telephone No			رقم هاتف العمل
Business Facsimile No			رقم فاكس العمل
Primary Contact Name			اسم جهة الاتصال الرئيسية
Telephone / Mobile No	1	2	رقم الهاتف المحمول
Email			عنوان البريد الإلكتروني
Secondary Contact Name			اسم جهة الاتصال الثانوية
Telephone / Mobile No	1	2	رقم الهاتف المحمول
Email			عنوان البريد الإلكتروني

1. Name of Authorized Signatory			1. اسم الممثل بالتوقيع
Designation of Authorized Signatory			مسمى الممثل بالتوقيع
Date			التاريخ
Signatures			التوقيع
2. Name of Authorized Signatory			2. اسم الممثل بالتوقيع
Designation of Authorized Signatory			مسمى الممثل بالتوقيع
Date			التاريخ
Signatures			التوقيع

- (Please use a separate sheet if there are more than 2 authorized signatories)
- Note please attach copy of original notary public certified document of repo buyer's regulatory document confirming that repo buyer is a regulated entity to lend monies or is authorized to lend monies.

- يرجى استخدام ورقة أخرى في حال كان هناك أكثر من موزعين اثنين بالتوقيع.
- ملاحظة يرجى إرفاق نسخة من المستند الأصلي المصدق من كاتب العدل لأحدية الجهة المتقدمة لتسجيل الريبو والتي تؤكد بأن مشتري الريبو كان متكاملاً بقرائن الأوراق أو متولياً لإفراج الأموال.

Declaration and Undertaking

إقرار وتعهد

- I/We:-
- Declare that, I/we, am/are properly authorized to carry out activities relating to lending monies and regulated by a national financial regulator.
 - Agree, upon registration of this application, to at all times comply with all UAE laws and regulations and requirements prescribed by Dubai Clear as contained in the Rules Dubai Clear and/or its procedures as may be issued from time to time.
 - Confirm that repo securities will not be onward pledged.
 - Dubai Clear will not bear any responsibility if the Member does not comply with all UAE laws and regulations and requirements prescribed by Dubai Clear as contained in the Dubai Clear Rules and/or its procedures as may be issued from time to time.

أنا نحن
أنا أنا بالتوقيع أوافق بالتعهد بالالتزام بالمتطلبات والقوانين المعمول بها في دولة الإمارات العربية المتحدة المتعلقة بالتمويل والتمويل المنظم من قبل سلطة مالية وطنية.
أنا أوافق، عند تسجيل هذا الطلب، على الامتثال في جميع الأوقات بقوانين دولة الإمارات العربية المتحدة واللوائح والاشتراطات التي تضعها شركة دبي للمقاصة والتي تصدر من حين إلى آخر، أو إجراءات شركة دبي للمقاصة والتي قد تصدر من حين إلى آخر.
أنا تؤكد على عدم بيع الأوراق المالية المثل.
أنا أن تتحمل شركة دبي للمقاصة أي مسؤولية في حال عدم امتثال الممثل بالتوقيع بالتوقيع بالتوقيع المعمول بها في دولة الإمارات العربية المتحدة والاشتراطات التي تضعها شركة دبي للمقاصة كما هي واردة في قواعد شركة دبي للمقاصة و / أو إجراءاتها التي قد تصدر من وقت لآخر.

Name of authorized signatory: اسم الممثل بالتوقيع:

Authorized signature of applicant:		التوقيع الشخصي للمقدم	Company Stamp		ختم الشركة
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Appendix 2



شركة تابعة لسوق دبي المالي بش م ع
Subsidiary of Dubai Financial Market PJSC

نموذج طلب تسوية الريبو

Repo Settlement Request Form

Request Date:		تاريخ الطلب
Settlement Date:		تاريخ التسوية
Symbol Name:		اسم الشركة المتبركة
Quantity of Securities:		عدد الأوراق المالية
Type of Transfer:	نوع التحويل	من بائع الريبو إلى مشتري الريبو (بيع) من مشتري الريبو إلى بائع الريبو (إعادة الشراء)
	From Repo Seller to Repo Buyer (Sale)	
	From Repo Buyer to Repo Seller (Buy-Back)	

From:

Securities to be transferred from:	رقم تحويل الأوراق المالية من:	CDS A/c OR	حساب إيفتاحة أو حساب إيفتحة أو إيفتحة (الرجوع يرجى إكمال الملحق الثاني):
Signature:		Name of Member or Custodian:	اسم العضو أو الخافض الامور:
		Name of Authorize Signatory:	اسم العضو بالتوقيع:
		Signature:	التوقيع
		Member's or Custodian's Stamp:	الخافض الامور
Repo NIN	رقم مستثمر الريبو	Repo Investor Account Number	رقم حساب مستثمر الريبو
			Repo Investor Name
			اسم مستثمر الريبو

To:

Securities to be transferred to:	رقم تحويل الأوراق المالية من:	CDS A/c OR	حساب إيفتاحة أو حساب إيفتحة أو إيفتحة (الرجوع يرجى إكمال الملحق الثاني):
		Name of Member or Custodian:	اسم العضو أو الخافض الامور:
		Account with Member or Custodian - complete the following:	حساب إيفتحة أو إيفتحة (الرجوع يرجى إكمال الملحق الثاني):
		CDS A/c (NON Tradable account) OR	حساب إيفتحة (مع نقل للتداول) أو حساب إيفتحة:
		Member's A/c	اسم العضو:
		Name of Member:	اسم العضو:
Repo NIN	رقم مستثمر الريبو	Repo Investor Account Number	رقم حساب مستثمر الريبو
			Repo Investor Name
			اسم مستثمر الريبو

Supporting Documents to be attached: Original Notary Public certified copy of repo agreement. الوثائق الداعمة التي يجب إرفاقها: نسخة أصلية معتمدة من كاتب العدل لتطبيق الريبو.

Declaration and Undertaking

I/We -
 a) Agree, upon approval of this application, to at all times comply with all requirements prescribed by Dubai Clear as contained in the Dubai Clear Rules and/or its procedures.
 b) Confirm that repo securities will not be onward pledged.
 c) Dubai Clear will not bear any responsibility if the repo securities are transferred to a non-tradable account by the Member.
 d) Where Custodian Complete the Request, the Custodian, has obtained the above undertaking, either directly or indirectly from the seller of the securities.

أنا/نحن -
 أوافق/نحن نوافق على تلبية هذا الطلب، على المثل في كافة الأوقات لجميع القوانين والوائح المعمول بها في دولة الإمارات العربية المتحدة والمؤسسات التي تتعددها شركة دبي للمقاصة كما هي، واردة في قواعد شركة دبي للمقاصة / أو إيفتحتها التي قد تصدر من وقت لآخر.
 بما يؤكد أن مشتري الريبو لن يقوم ببيع الأوراق المالية لتعددها.
 إن لن تتحمل شركة دبي للمقاصة أي مسؤولية في حال تحويل الأوراق المالية بإقتراض إلى حساب غير قابل للتداول من قبل العضو.
 إذا تم إكمال الطلب من قبل الخافض الامور، يكون الخافض الامور قد حصل على التعهد المذكور أعلاه، سواء بشكل مباشر أو غير مباشر من بائع الأوراق المالية.

Authorized Signature of Repo Seller and Company Stamp (If applicable)	الموافق بالتوقيع عن بائع الريبو (وختم الشركة إن وجد)	Authorized Signature of Repo Buyer or Custodian on behalf of the Repo Buyer or Custodia (If Applicable)	الموافق بالتوقيع عن مشتري الريبو أو الخافض الامور بالتأدية عن مشتري الريبو وختم الشركة (مستشري الريبو أو الخافض الامور إن وجد)





Appendix 3



شركة تابعة لسوق دبي المالي ش م ع
Subsidiary of Dubai Financial Market PJSC

طلب إصدار رقم مستثمر إضافي

Additional Investor Number Request Form

Application Date: [] تاريخ الطلب:

شركة / مؤسسة فردية: Company / Sole Proprietorship

Commercial Name as on Trade License: []
Trade License No.: []
Commercial Registration No.: []
Type of Company: []
Full Name of the Authorized Signatory: []
Full Name of the Owner / Authorized Person: []

Companies and Institutions licensed outside UAE must authenticate official documents by the official authorities and the UAE embassy in those countries

بيانات الاتصال: Contact Details:

Address: []
Zip Code: []
Country: []
Work No.: []
Residence Phone No: []
Email: []
P. O. Box: []
City: []
Mobile No.: []
Fax No.: []

استلام الأرباح النقدية: Receive Cash Dividends (Select one option only)

Bank Transfer []
التحويل البنكي []
- Bank transfers may be subject to charges and/or foreign exchange conversion rates which may be deducted from the cash dividend amount by the transferring bank and/or the receiving bank.
- Please attach a bank statement or certified bank letter, mentioning clearly the IBAN.
- Bank account details required only for the investor who owns the shares

Account Holder Name/Investor: []
Bank Account No. (AED): []
Bank Account No. (other currency): []
IBAN: []
SWIFT ID: []
Branch Name: []
City: []
Bank Name: []
Country: []

التعليقات: Attachments

- A true copy of a valid Memorandum of Association, Trade License and Commercial Register
- Authorized signatory letter issued by the company, duly authenticated
- True copy of the authorized signatory valid Passport and National ID
- Plus specific documentation depending on:
- If a Fund, a duly authenticated license letter from the General Bank must be provided for the funds in the UAE. For funds outside the UAE, the authorized documents from the official authorities must be attached.
- If a bank, a duly authenticated license letter from the General Bank must be provided for the banks in the UAE. For banks outside the UAE, the authorized documents from the official authorities must be attached.
- If a Trading / Clearing Member, a true copy of exchange License from the UAE Securities Commission Authority (SCA) or the Dubai Financial Services Authority (DFSA).
- If a Sole Proprietorship, attach an undertaking letter addressed to Dubai Clear Company stating that an Investor Number will not be opened under his/her personal name.
- Companies and Institutions licensed outside the UAE must authenticate official documents Trade License, Commercial Register and Memorandum of Association, by the UAE Embassy of Foreign Affairs or the UAE embassy in those countries.
- If a Representative:
- A true copy of a duly authenticated and valid Power of Attorney must be provided with a copy of representatives ID.
- A power of Attorney issued from other countries must be authenticated by the official authorities and the UAE embassy in those countries.



دبي للمقاصة دبي
DFM Clear PJSC
P.O. Box 9700, Dubai, UAE
T: +971 4 383 3333
www.dubai-clear.ae



dfm_additional-inv
estor-number-reque



Appendix 4



نموذج طلب تحويل الأسهم الممولة للأوراق المالية بالتوافق مع الشريعة الإسلامية
Sharia Compliant Share Financing Securities Transfer Request Form

Application Date: _____ تاريخ الطلب

From: Sharia Compliant Financial Institution (SCFI):

من: المؤسسة المالية المتوافقة مع أحكام الشريعة الإسلامية:

Securities to be transferred from:	بام تحويل الأوراق المالية من:	CDS A/c OR	حساب إيفتاحة أو
		Account with Member – complete the following:	حساب العضو - يرجى إكمال الحقن التالي:
		Name of Member:	اسم العضو
		Name of Authorize Signatory:	اسم المتوكل بالتوقيع

Member's Stamp:	التوقيع	Member's Stamp:	تأتم العضو

NIN	رقم المستثمر	Account Number	رقم الحساب	Name	الاسم	Security Name	اسم الورقة المالية	Quantity	الكمية

To: (Transferee Details)

إلى: (التفصيل الموصول إليه)

Securities to be transferred to:	بام تحويل الأوراق المالية إلى:	CDS A/c OR	حساب إيفتاحة أو
		Account with Member:	حساب العضو
		Name of Member:	اسم العضو

NIN	رقم المستثمر	Account Number	رقم الحساب	Name	الاسم	Security Name	اسم الورقة المالية	Quantity	الكمية

Declaration and Undertaking:

القرار والتعهد:

I/We: أنا/نحن:
 Agree, upon approval of this application, to at all times comply with all requirements prescribed by Dubai Clear as contained in the Rules Dubai Clear and/or its procedures.
 أوافق/توافق، على تصديق هذا الطلب، على الامتثال في كافة الأوقات لجميع المتطلبات والواجبات المعمول بها في دولة الإمارات العربية المتحدة والممارسات والتدابير التي تحددها شركة دبي للمقاصة كمنهجية إيفتاحة أو / أو إجراءاتها التي تحد تصدري من وقت لأخر.

Name of authorized signatory of SCFI signature and Company Stamp
 اسم الممثل بالتوقيع عن المؤسسة المالية المتوافقة مع أحكام الشريعة الإسلامية، تأتمها وتتم الشركة
 Name & the signature of the transferee and Company Stamp (if applicable)
 اسم وتوقيع الموصول له وتم الشركة (إن وجد)

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Appendix 5

Dubai Clear Rules on Equities Repo Transactions and Islamic Murabaha Transactions

Preface

These regulations include the rules and procedures relating to certain transfer (transfer) of ownership of securities through the Dubai Financial Market outside the trading floor, which is as follows:

1. Repo transactions.
2. Islamic Murabaha transactions

Part 1: Repo transactions

First Definition

Article (1)

The following words and expressions shall have the meanings assigned thereto hereunder, unless the context indicates otherwise:

UAE	:	The United Arab Emirates.
SCA	:	The Securities and Commodities Authority of the UAE.
Market	:	Dubai Financial Market or Dubai Clear on case-to-case basis
Securities	:	DFM-listed securities and for private securities kept under the DFM central securities depository and does not refer to any fixed income or debt securities not listed on the DFM.
Repo transaction	:	The settlement of securities transaction concerning (repo agreements) through transfer of securities ownership in DFM between the repo seller and repo buyer.
Repo Seller	:	The seller of the market securities and receiver of cash.
Repo Buyer	:	The provider of cash and the buyer of the market securities i.e. cash financier.
Member (Trading and Clearing Member)	:	A Member, which receives and records orders of purchasing or selling Securities to be executed in the Market and conducts Dubai Clear operations for these transactions.
Custodian	:	A corporate person licensed by the Authority to practice Custody of Securities.

Second: Rules

Article (2)

1. Taking into account the ratios of ownership prescribed in the articles of associations of companies listed on the market, the market shall determine the type and quantity of securities the subject matter of the repo transactions and shall indicate them accordingly.
2. The Market shall reject the request for the transfer (transfer) of securities in the event of non-compliance with the applicable regulations of the Authority, or market procedures or as per SCA request or at the request of the Judicial Authority.
3. The transfer of securities by the Market shall not be considered as approval by the Market, or notification to it or to the Authority of any of the necessary regulatory and legal requirements related to the disclosure of the ownership, its ratios and limits.
4. The role of the market shall be limited to transfer the ownership of the securities between the repo seller and the repo buyer pursuant to the agreement (re-purchase of securities) in accordance with the law and regulations of the Authority and the market procedures.
5. The Authority and the Market shall not be liable for (the repurchase agreement) nor any liability to its parties for the validity, suitability, obligations, or rights of the parties included therein, nor for any dispute arising between them regarding the implementation of that agreement.



Article (3)

Repo buyers must be one of the following:

1. Any financial institution authorized to lend or cash finance within the State.
2. Any foreign financial institution licensed in a jurisdiction as a financial institution or institution permitted to lend monies, provided such institutions provide Dubai Clear a copy of notary public-certified true copy of a regulatory confirmation document that the FI is a regulated entity to lend monies or is authorized to lend monies and no need to submit that document for each transaction(The Original to be submitted to Dubai Clear Upon Request)

Article (4)

Repo buyers are obliged to:

1. Allocate a separate account for repo transactions to deposit there in only securities subject matter of those transactions.
2. Ensure that the repo agreement is based on the ISDA/GMRA format.
3. Refrain from doing any of the following:
 - A. Own the securities where the Repo Buyer is also the issuer of the securities.
 - B. Onward Pledge of Repo Securities.
4. Assume the full legal and financial responsibility arising from the truthfulness, genuine, recentness and completeness of the information submitted to the Market.
5. Compensate the market for any violation of the regulations, or rules or procedures issued by the Authority or the Market.

Article (5)

It is the sole responsibility of the Repo Seller and Repo Buyer to ensure that the repo agreement shall contain all the rights and obligations of the Repo Seller and Repo Buyer especially with respect to the right to vote and the dividend.

- 1- The buyer and seller of the repo shall comply with the disclosures specified in the law and regulations of the Authority, the market rules and the basic articles of association of the listed companies. For the purpose of disclosure, the ratio of ownership of the securities the subject matter the repo transaction shall be considered within the ratio of ownership of each.
- 2- In the event of any breach or error within the ownership limits or ratios of the seller or repo buyer, the repo buyer or seller shall take immediate measures to rectify any breach.

Third: Procedures

Article (6)

Repo Buyers shall complete the format in accordance with prepared form by Dubai Clear in order to qualify as a Repo Buyer.

Article (7)

Request to transfer of ownership from repo seller to repo buyer

1. Qualified repo buyers shall submit a repo transaction request signed by him and repo seller to the market in accordance with prepared form by Dubai Clear to transfer the ownership of the securities from the repo seller to the repo buyer.
2. Member (trading and clearing member) or custodian/Settlement Agent may submit repo request for repo transaction.
3. An copy of the (repurchase agreement) signed by the parties and duly certified shall be attached to the application (request). (The Original to be submitted to Dubai Clear Upon Request)
4. The repo buyer is obliged to pay the due fees to complete the repo transaction. The transfer of ownership is made only after ensuring the deposit of the fee in the bank account of the market and providing the market with a copy of the payment details for the purposes of market records.
5. The cash settlement shall be made directly between the repo buyer and the repo seller without interference of the market or bearing the market for the lowest liability.

Article (8)

The return of repo seller of his securities in accordance with the repurchase agreement

Equities Repo Transactions & Islamic Murabaha Financing Transactions



1. Qualified repo buyers shall submit an application to the Dubai Clear in accordance with prepared form by Dubai Clear signed by him and the repo seller to enable the repo seller to return his ownership of the securities in repo transaction.
2. Paragraph (2,4,5) of Article (7) shall apply.
3. After ensuring the ratio of ownership of the repo seller, the market shall transfer the ownership of the securities in the repo transaction from the repo buyer's account to the repo seller's account.

Article (9)

Fees

Repo buyer is obliged to pay due fees as follows:

1. Fees should be paid in relation to transfer securities ownership from repo seller to repo buyer, and the fees of returning the securities back to repo seller, subject to fees structures determined by Dubai Clear.
2. The fee will be paid to the Dubai Clear through a bank transfer to the market account, or through any other mechanism determined by the market, with a copy of the credit advice or confirmation letter sent to Dubai Clear.



Part 2: Islamic Murabaha transactions

First: Definitions

Article (1)

The following words and expressions shall have the meanings assigned thereto hereunder, unless the context indicates otherwise:

UAE	:	The United Arab Emirates.
SCA	:	The Securities and Commodities Authority of the UAE.
Market	:	Dubai Financial Market or Dubai Clear on a case-to-case basis
Securities	:	DFM-listed securities and for private securities kept under the DFM central securities depository and does not refer to any fixed income or debt securities not listed on the DFM.
Islamic Murabaha transactions	:	Settlement of securities transactions related to Islamic financing agreements through the transfer of ownership of securities in the market from the financial institution to the investor.
Financial Institution	:	Any financial institution allowed to lend or finance cash within the State in accordance with Islamic Sharia (SCFI).

Second: Rules

Article (2)

1. The Market shall reject the request for the transfer (transfer) of securities in the event of non-compliance with the applicable regulations of the Authority, or market procedures or as per SCA request or at the request of the Judicial Authority.
2. The transfer of securities by the Market shall not be considered as approval by the Market, or notification to it or to the Authority of any of the necessary regulatory and legal requirements related to the disclosure of the ownership, its ratios and limits.
3. The role of the market shall be limited to transfer the ownership of the securities from financial institution to the investor pursuant to the agreement (Islamic Finance Agreement) in accordance with the law and regulations of the Authority and the market procedures.
4. The Authority and the Market shall not be liable for (the Islamic Finance Agreement) nor any liability to its parties for the validity, suitability, obligations, or rights of the parties included therein, nor for any dispute arising between them regarding the implementation of that agreement.

Article (3)

The financial institution and the investor the beneficial of the Islamic Murabaha transaction shall compensate the market for any violation of the regulations, rules or procedures issued by the Authority or the Market.

Third: Procedures

Article (4)

Application for transfer of ownership from the financial institution to the investor

1. The financial instruction shall submit a request for an Islamic Murabaha transaction signed by them and the investor to the market in accordance with prepared form by Dubai Clear to transfer the ownership of the securities from the financial institution to the investor.
2. An original copy of the (Islamic Murabaha transaction) signed by the two parties and duly certified shall be attached to the application (request).
3. The Financial Institution is obliged to pay the due fees to complete the Islamic Murabaha transaction. The transfer of ownership is made only after ensuring the deposit of the fee in the bank account of the market and providing the market with a copy of the payment details for the purposes of market records.

Article (5)

1. After ensuring the ratio of ownership of the investor, the market shall transfer the ownership of the securities in the Islamic Murabaha transaction from the financial institution's account to the investor's account.
2. Cash settlement shall be made directly between the financial institution and the investor without interference of the market or bearing the market for the lowest liability.



Article (6) Fees

Financial institution is obliged to pay due fees as follows:

1. Transfer fee of 0.275% (0.00275) of the value of the securities subject of transfer for each Islamic Murabaha transaction,
- 3- Fees shall be calculated based on the closing price or minimum of AED 100 per company.
2. The fee will be paid to the Dubai Clear through a bank transfer to the market account, or through any other mechanism determined by the market, with a copy of the credit advice or confirmation letter sent to Dubai Clear.

Part 3: Sanctions and contact

Article (1) Sanctions

In case of violation of any of these rules, the market may take the following:

1. Warning.
2. Take necessary measures in coordination with the violator to rectify any excess or exceeding of the ownership limits.
3. Suspension or cancellation of the execution of any transaction in case of violation of the law and regulations of the Authority or the procedures and rules of the market, or on the basis of serious reasons and without prejudice to good faith third party.
4. Imposing of sanctions and fines in accordance with the regulations of the Market and in a manner not inconsistent with the law and regulations of the Authority.
5. Referring the violation to the Authority to take what it deems appropriate.

Article (2) Contact Details

- 1- All requests are to be sent via email to: clearing&settlement@dubaiclear.ae



Contact us.

Contact No: +971 4 305 5555

Email id: clearingandsettlement@dubaiclear.ae

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