

Rules for Listing and Trading of Shares of Private Joint Stock Companies

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The Board of Directors of Dubai Financial Market

Having reviewed the Federal Law No. (4) of 2000 concerning Emirates Securities and Commodities Authority and Market, as amended; The Emirate of Dubai Decree No. (14) of 2000 concerning the Establishment of the Dubai Financial Market, as amended; The SCA's regulations issued pursuant the Federal Law No. (4) of 2000 concerning the SCA, as amended; The SCA's Board of Directors' Decision No. (10) of 2014 Regulating the Listing and Trading of Shares of Private Joint Stock Companies; and the Regulations, Decisions and Instructions issued by the Board of Directors of the Dubai Financial Market, it has been hereby resolved to issue the Rules of Listing and Trading of Shares of Private Joint Stock Companies as follows:



Article (1) Definitions

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

State	The United Arab Emirates.
Law	The Federal Law No. (4) of 2000 concerning Emirates Securities and Commodities Authority and Market.
The authority	Securities and Commodities Authority.
Ministry	The Ministry of Economy
Market	Dubai Financial Market.
Board	DFM Board of Directors.
Company	Private joint stock company
Stocks	Stocks issued by the Company.
CEO	DFM Chief Executive Officer.
Market Controller	The person authorized by the CEO to be responsible for controlling the trading.
Broker	A company licensed by the SCA to carry out Brokerage activities in the Market.
Trading	The process of buying and selling Securities in the Market.
Trading System	The approved system used for executing trading transactions in the Market.
Trading Floor	The trading floor in the Market.
Trading session	The period during which orders are entered, modified, canceled or executed.
Deal	A match between the buy order and the sell order through the trading system used by the Market.
Opening Price	The balance price between the quantity offered and demanded, which is calculated by the trading system following the entry, adjustment or cancellation of a share order at the end of the opening session in accordance with the criteria outlined in the the electronic trading system guidebook, issued based on Securities trading rules.
Closing Price	The balance price between the offer and demand of a securities, calculated by the trading system following the entry, adjustment or cancellation of a share order during the pre-closing session, taking place between 13:50 and 14:00, according to criteria outlined in the the electronic trading system guidebook, issued based on Securities trading rules.



Article (2) **Listing Requirements**

A Company, which wishes to list its shares in the Market, shall comply with the following requirements:

1. The share capital of the Company shall be fully paid up.
2. The Company shall have issued its audited budget for the last two fiscal years, as per the international financial reporting standards issued by International Accounting Standard Board.
3. The shareholders' equity may not be less than the paid-up share capital of the Company at the time when the listing application is submitted.
4. The Company shall have at least (30) shareholders upon listing.

Article (3) **Listing Procedures**

A Company, which wishes to list its shares in the Market, shall submit to the Market the application form designated for this purpose. The application form shall be signed by the Chairman of the Board of Directors of the Company, and supported by the following documents and reports:

1. The authority's approval for listing the Company's stocks in the Market.
2. The approval of the Company's Board of Directors for listing the Company's stocks in the Market.
3. Payment of such listing fees as determined by the Market.
4. An overview about the Company's business activities.
5. All documents and reports required in relation to listing application as set out in Article 4 of the relevant SCA's Board Decision shall be submitted.
6. The Market shall be entitled, in coordination with the authority, to include or exclude such requirements or conditions as necessary to best serve the public interest.
7. The Company shall publish a summary of its audited financial statements for the last two years, incorporating the results of its business within such period in two daily newspapers in the State, one in English and one in Arabic, ten days prior to the listing date in the Market.

Article (4) **Deciding on the Listing Application**

After having examined the listing application and attachments thereto, the Market shall make its decision on the same and inform the Company of its decision within one week from the issue date thereof.



Article (5) **Information and Details Liability**

The Board of Directors of the Company shall be liable for the accuracy and correctness of the information and details included in the listing application, documents and reports which are submitted by the Company. The authority or the Market's review of the same shall not be deemed as an acknowledgement that the contents thereof are accurate.

Article (6) **Stock Trading**

1. The Company's stocks shall be traded at the Trading Floor in the Market through Brokerage Firms licensed by the authority. The trading transactions shall be established under entries recorded in the Market's records.
2. The securities of private joint stock companies shall be traded within such price limits as set by the Market, after the SCA approves the stock pricing mechanism.
3. The price limits do not apply to stocks in their first trading session in the Market. The stock price is floated from the listing date until the end of the trading session during which a stock transaction is executed. The closing price at the end of the trading session is the reference price to calculate the limits of change at the opening of the next session.

Article (7) **Trading Hours**

1. Trading hours shall be 4 hours during Sundays, Tuesdays and Thursdays from 10 am to 2 pm each week. The trading session shall be divided into the following stages:
 - a. Pre-opening session (9:30 - 10:00)
 - b. Opening session (10:00)
 - c. Trading session (10:00 - 13:50)
 - d. Pre-closing session (13:50 - 14:00)
 - e. Closing session (14:00)
2. The stock trading of private joint stock companies shall be subject to the authority Board of Directors' Resolution No. (2) of 2001 related to the regulations on Trading, Clearing, Settlement, Transfer of Ownership and Custody of Securities, DFM Securities Trading Rules, e-trading system handbook, professional code of conduct, and disclosure and transparency instructions to the extent it is not inconsistent with the the provisions of these Rules.



Article (8) **Insider Trading**

1. The Chairman and members of the Board of Directors, General Manager or any employee of the company whose shares have been listed on the Market, shall not execute or cause any other one to execute any transaction in relation to the shares of the Company, unless after having disclosed, through the Market, of the purchase or sale transaction and its quantities and prices.
2. The Chairman and members of the Board of Directors of the Company listed on the market and its General Manager or any of the employees who has access to insider information to trade -whether by themselves or through others- in the securities of the same company or its parent company, subsidiary, affiliate or allied company if any of those companies were listed on the Market, during a period of (15) days prior to disclosing the financial statements of the Company and until they are disclosed.

Article (9) **Suspension of Trading**

The trading of the Company's stocks shall be suspended in the following cases:

1. If the meeting of the Board of Directors or the General assembly Meeting falls on the same day as the trading session, the stock trading shall be suspended from the date of the specified meeting until the meeting results are disclosed.
2. Upon receipt of the press release, preliminary financial results during the trading session or any material disclosures affecting the stock price, necessary actions shall be taken to suspend the stock trading until the announcement is made.

Article (10) **Suspension of Listing**

The listing of the Company's stocks may be suspended in the following cases:

1. If the Company ceases to satisfy any of the listing requirements set out in Article 3 of SCA's Board of Directors' Decision No. (10) of 2014 Concerning the Regulation of Listing and Trading of Shares of Private Joint Stock Companies.
2. If the Company fails to pay the fees due to the authority or the Market.
3. If a resolution is passed by the General Assembly to decrease the share capital of the Company.
4. If a resolution is passed by the General Assembly to sell the substantial part of the Company's assets.
5. If the Company, by virtue of a resolution by its General Assembly, submits a justifiable request for suspending the listing of its Stocks.



Article (11) **Disclosure Obligations**

The Company shall comply with all disclosure obligations set out in Article 9 of the SCA's Board of Directors' Decision No. (10) of 2014 Concerning the Regulation of Listing and Trading of Shares of Private Joint Stock Companies.

Article (12) **Fees**

The Market shall collect a fee of AED 2,000 for the listing application of a private joint stock company and such listing fees as set out in the The SCA's Board of Directors' Decision No. (11) of 2014 Concerning the Fees for Listing and Trading of Shares of Private Joint Stock Companies.


Article (13)


These Rules shall enter into force as from the day following issuance by the Market's Board of Directors.


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