

Decree No. (3) of 2022
Forming the Financial Markets
Law Enforcement Committee in the Emirate of Dubai¹

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Federal Law No. (4) of 2000 Establishing the Emirates Securities and Commodities Authority and Market and its amendments;

Federal Law by Decree No. (22) of 2020 Concerning the Distribution of Functions and Powers between the Securities and Commodities Authority and the Securities and Commodities Markets Licensed in the UAE;

Federal Law by Decree No. (32) of 2021 Concerning Commercial Companies;

Law No. (4) of 2016 Establishing the Dubai Economic Security Centre and its amendments;

Law No. (5) of 2021 Concerning the Dubai International Financial Centre;

Decree No. (28) of 2015 Concerning Governance of the Boards and Committees Affiliated to the Government of Dubai;

Decree No. (3) of 2021 Concerning the Listing of Stocks of Joint Stock Companies on the Securities Markets in the Emirate of Dubai; and

The legislation establishing and regulating free zones in the Emirate of Dubai,

Do hereby issue this Decree.

Definitions
Article (1)

The following words and expressions, wherever mentioned in this Decree, will have the meaning indicated opposite each of them unless the context implies otherwise:

UAE: The United Arab Emirates.

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¹Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict, the Arabic text will prevail.

Emirate:	The Emirate of Dubai.
Ruler:	His Highness the Ruler of Dubai.
SCA:	The Securities and Commodities Authority.
FMLEC:	The Financial Markets Law Enforcement Committee in the Emirate of Dubai, formed pursuant to this Decree.
Chairman:	The chairman of the FMLEC.
DESC:	The Dubai Economic Security Centre.
Joint Stock Companies:	This includes public and private joint stock companies and investment units and funds, which are listed on any of the Local Markets.
Local Markets:	The securities and commodities markets, in the Emirate and in its free zones, that are licensed by the SCA. This includes the Dubai Financial Market, and the Dubai Gold and Commodities Exchange, but does not include the securities and commodities markets licensed by the Dubai Financial Services Authority of the Dubai International Financial Centre.

Formation of the FMLEC Article (2)

Pursuant to this Decree, a committee named the "Financial Markets Law Enforcement Committee in the Emirate of Dubai" is formed under the chairmanship of Dr. Abdulla Mohammad Alghaferi; and with the membership of:

1. Mr. Abdulla Saeed Belyoahah;
2. Mr. Waleed Saeed Alawadhi;
3. Mr. Khalifa Ahmed Rabba;
4. Mr. Khalid Mohammad Almheiri; and
5. Mr. Essa Ahmad Ali Abdulla.

Objectives of the FMLEC

Article (3)

The FMLEC will have the following objectives:

1. to serve as a reference authority that represents the Local Markets in monitoring and controlling any violations committed in respect of securities and commodities transactions; in detecting and assessing any breaches of the Joint Stock Companies disclosure and governance rules; and in coordinating with the Local Markets in this respect;
2. to enhance the Emirate's capacity to protect the interests and rights of the shareholders in Joint Stock Companies, investors, and traders in securities, commodities, and other approved financial instruments listed on the Local Markets, thus contributing to boosting their trust in the financial market sector of the Emirate;
3. to improve coordination and cooperation amongst the Government Entities in charge of overseeing Joint Stock Companies, securities and commodities transactions, and the transactions of other approved financial instruments listed on the Local Markets; and
4. to contribute to the development of the legislation and legal system regulating the securities and commodities markets in the Emirate.

Functions of the FMLEC

Article (4)

For the purpose of achieving its objectives, the FMLEC will, in coordination with the concerned entities, have the duties and powers to:

1. follow up the critical issues that may affect the reputation and economy of the Emirate and that are referred to the SCA by the Local Markets and the concerned entities in the Emirate; and represent these markets and entities before the SCA in relation to these issues;
2. detect and monitor the financial breaches, violations, and crimes related to financial markets, including the transactions of insider trading and majority shareholders; false statements and information; violations committed by Joint Stock Companies or the shareholders, employees, or members of the boards of directors of these companies; and the breaches, violations, and crimes committed in respect of transactions involving securities, commodities, and other approved financial instruments listed on the Local Markets; and prepare the relevant technical and legal reports and memoranda;

3. prepare special reports on the critical issues that may affect the Local Markets, and present the same to the competent entities in the Emirate;
4. coordinate with the DESC on following up all cases and claims related to the critical issues detected in accordance with the provisions of this Decree;
5. propose and consider legislation and legal and judicial systems to regulate financial markets with a view to developing the securities and commodities markets and trading; and submit the same to the competent entities in the Emirate to take the necessary action in respect thereof;
6. form permanent and temporary sub-committees and work teams, from amongst FMLEC Members or other persons, to assist it in performing its duties; and determine the terms of reference and functions of these sub-committees and work teams;
7. prepare periodic reports on the performance and work of the FMLEC, and on the outcomes and findings reached by the FMLEC together with the SCA and the concerned entities; and submit the same to the Ruler or his authorised representative to issue the relevant directives as he deems appropriate; and
8. exercise any other duties or powers assigned to it by the Ruler or his authorised representative.

Meetings of the FMLEC

Article (5)

- a. The FMLEC will convene at the invitation of its Chairman at the time and place determined by him.
- b. At its first meeting, the FMLEC will elect a vice chairman, who will act as the Chairman where the Chairman is absent or becomes incapable of performing his duties.
- c. FMLEC meetings will be valid if attended by the majority of its Members, provided that the Chairman or vice chairman is in attendance.
- d. FMLEC resolutions and recommendations will be passed by majority vote of its attending Members; and in the event of a tie, the chair of the meeting will have a casting vote.
- e. Recommendations and resolutions of the FMLEC will be recorded in minutes of meetings signed by the chair of the meeting and attending Members.
- f. The FMLEC may, as it deems appropriate, invite experts and specialists to its meetings, from amongst the employees of Government Entities or other persons, to assist it in

exercising its duties and powers under this Decree. These experts and specialists will not have a vote in the deliberations of the FMLEC.

- g. A rapporteur will be appointed to the FMLEC by the Chairman. The rapporteur will be responsible for sending meeting invitations to FMLEC Members, preparing its meeting agendas, recording its minutes of meetings, following up the implementation of its resolutions and recommendations, and performing any other duties assigned to him by the Chairman.

Governance of the FMLEC

Article (6)

In addition to any provisions related to the governance of the FMLEC, as approved by the Chairman, the above-mentioned Decree No. (28) of 2015, or any other superseding legislation, applies to the management of the meetings of the FMLEC, to the confidentiality of information, and to the duties of the Chairman and Members of the FMLEC.

Obligations of FMLEC Members

Article (7)

- a. A Member of, or a person engaged by, the FMLEC must:
 1. declare in writing to the FMLEC the securities and financial instruments listed on the Local Markets owned by him, his spouse, or his children, as well as the shares and transactions he, his spouse, or children have in any of the Local Markets; and obtain a written authorisation from the Chairman before making any change to the ownership of securities, or any transactions conducted, by him, his spouse, or his children, in the Local Markets;
 2. maintain the confidentiality of the information and data which has become accessible or known to him by reason of his membership in the FMLEC or any work performed by him for the benefit of the FMLEC or assigned to him by it; and
 3. not, without first obtaining the relevant written approval of the FMLEC, disseminate, divulge, disclose, or transfer any information or data, or retain any confidential instrument or document, which is related to the work of the FMLEC, Joint Stock Companies, Local Markets, securities, or any other financial instruments listed on the Local Markets and which has become accessible or known to him by reason of his membership in the FMLEC or any work performed by him for the benefit of the FMLEC or assigned to him by it.

- b. Members of the FMLEC will remain bound by the confidentiality obligation stipulated by sub-paragraphs (a)(2) and (a)(3) of this Article, even after the end of their membership in the FMLEC or completion of work for the benefit of the FMLEC.

Prohibited Acts Article (8)

Neither the Chairman, nor FMLEC Members, nor the persons engaged by the FMLEC, who have a direct or an indirect interest in the matters referred to the FMLEC, may participate in the relevant meetings or provide opinion or vote on these matters, or participate in the relevant decision-making process. In all events, they must disclose to the Chairman any such interest at the beginning of the meeting or prior to providing the relevant opinion or recommendation.

Providing Support to the FMLEC Article (9)

The DESC will provide the FMLEC with administrative and technical support to enable it to perform its duties under this Decree and the resolutions issued in pursuance hereof.

Cooperation with the FMLEC Article (10)

All concerned individuals and entities and Local Markets must fully cooperate with the FMLEC, and provide the data, information, statistics, and documents requested and deemed necessary by the FMLEC to enable it to perform its duties under this Decree.

Issuing Implementing Resolutions Article (11)

The Chairman will issue the resolutions required for the implementation of the provisions of this Decree.

Repeals Article (12)

Any provision in any other legislation is hereby repealed to the extent that it contradicts the provisions of this Decree.

Publication and Commencement
Article (13)

This Decree will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 3 January 2022
Corresponding to 30 Jumada al-Ula 1443 A.H.