

Federal Decree by Law No. (6) of 2025
Regarding the Central Bank, Regulation of Financial Institutions and
Activities, and Insurance Business

We Mohamed Bin Zayed Al Nahyan, President of the United Arab Emirates,

- Having perused the constitution;
- Federal Law No (1) of 1972, Regarding Jurisdictions of Ministries and Powers of Ministers, and amendments;
- Federal Law No (8) of 2004, Regarding Financial Free Zones;
- Decretal Federal Law No (9) of 2018, Regarding Public Debt;
- Decretal Federal Law No. (14) of 2018, Regarding the Central Bank and Organization of Financial Institutions and Activities, and amendments;
- Federal Decree-Law No. (20) of 2018 on Anti-Money Laundering, Combating the Financing of Terrorism and Financing of Illegal Organizations, and amendments;
- Federal Decree-Law No. (32) of 2021 on Commercial Companies;
- Federal Decree-Law No. (42) of 2022, Promulgating the Civil Procedure Code
- Federal Decree-Law No. (50) of 2022, Promulgating the Commercial Transactions Law;
- Federal Decree-Law No- (13) of 2023, Regarding Establishment and Organization of the Financial Stability Board;
- Federal Decree-Law No. (48) of 2023, Regulating Insurance Activities;
- Federal Decree-Law No. (51) of 2023, Promulgating the Financial Restructuring and Bankruptcy Law; and
- Federal Decree-Law No. (31) of 2024, Regarding Netting.
- And based on the proposal submitted by the Minister of Finance, and the Cabinet approval thereof;

Promulgated the following Federal Decree-law:

Article (1)

Definitions

In the implementation of provisions of this decree-law, and unless the context otherwise requires, the following words and expressions shall have the meanings cited against each:

- State** : The United Arab Emirates (UAE).
- Government** : The UAE Federal Government.
- Ministry** : The Ministry of Finance.
- Minister** : The Minister of Finance.
- Central Bank** : The Central Bank of the United Arab Emirates.
- Board of Directors** : The Board of Directors of the Central Bank.
- Chairman** : The Chairman of the Board of Directors.
- Governor** : The Governor of the Central Bank.
- Public Sector** : The Federal Government, governments of Union member emirates, and their fully owned authorities, and public institutions and companies, which provide public services and do not, primarily, carry on any activities relating to money and financial markets.
- Government-Related Entities** : A juridical person wherein the Government, any of the governments of Union member emirates, or any of their respective subsidiaries, owns more than fifty percent (50%) of its capital.
- Financial Free Zones** : Zones subject to the provisions of Federal Law No (8) of 2004, Regarding Financial Free Zones, and amending laws, or any law replacing it.
- Regulatory Authorities in the State** : The Central Bank, the Securities and Commodities Authority.
- Licensed Financial Institutions** : Banks, (Re)Insurance Companies, and Other Financial Institutions licensed in accordance with the provisions of this decree-law and the regulations issued in implementation thereof, to carry on a Licensed Financial Activity or more, including those

which carry on the whole or a part of their activities and business in accordance with the rules and principles of Islamic Shari`ah. These institutions shall be either incorporated inside the State or a branch or subsidiary inside the State of a financial institution incorporated outside the State or in Financial Free Zones.

- Banks** : Any juridical person licensed in accordance with the provisions of this decree-law and the regulations issued in implementation thereof, to primarily carry on the activity of taking deposits in addition to any of the Licensed Financial Activities.
- Other Financial Institutions** : Any Person, except Banks and (Re)Insurance Companies, licensed in accordance with the provisions of this decree-law and the regulations issued in implementation thereof, to carry on a Licensed Financial Activity or more.
- Islamic Financial Institutions** : Banks, Takaful Insurance Companies, and Other Financial Institutions Licensed in accordance with the provisions of this decree-law and the regulations issued in implementation thereof, to carry on the whole or a part of their activities and business in accordance with the rules and principles of the Islamic Shari`ah.
- Higher Shari`ah Authority** : The Authority referred to in Article (24) of this decree-law.
- Licensed Financial Activities** : The financial activities subject to Central Bank licensing and supervision, which are specified in Article (61) of this decree-law and the regulations issued in implementation thereof.
- Shari`ah-compliant Activities and Business** : The activities and business conducted by an Islamic Financial Institution or any entity that falls under the mandate of the Higher Shari`ah Authority, in accordance with the rules and principles of Islamic Shari`ah.
- Designated Infrastructure** : Any Financial Market Infrastructure designated by the Central Bank as systemically important, in accordance with the provisions of this decree-law and the regulations issued in implementation thereof.

- Financial Market Infrastructure** : A multilateral financial infrastructure system among Participant Persons, including the operator of the system, used for the purposes of clearing, settling or recording payments, securities, derivatives, or other financial transactions. Such Financial Market Infrastructure shall be established, operated, licensed or overseen by any of the Regulatory Authorities in the State.
- Settlement Institution** : In respect of a Financial Market Infrastructure, means a Person who provides any of the following:
1. Settlement accounts to the Participant Persons and to any Central Counterparty in financial markets, within a Clearing and Settlement System, in order to settle Transfer Orders through such infrastructure, and may provide credit facilities for settlement purposes, if necessary.
 2. Settlement services for any Retail or wholesale Payment System.
- Default Arrangements** : In respect of a Financial Market Infrastructure, means the arrangements in place within such infrastructure to mitigate systemic and other types of risk, in the event of a Participant Person is unable, or likely to become unable to meet his obligations in respect of a Transfer Order. This includes any arrangements that have been enforced by such infrastructure's operator or its Settlement Institution for any of the following:
1. Netting of obligations owed to or by a Participant Person.
 2. Closing out of open financial position of a Participant Person.
 3. Realization of collateral securities to secure payment of obligations owed by the Participant Person.
- Transfer Order** : In respect of a Financial Market Infrastructure, shall mean any of the following:
1. Instructions by a Participant Person to place funds at the disposal of another Participant Person, to be transferred on a

book-entry basis, in the accounts of the Settlement Institution for a Clearing and Settlement System.

2. Instruction to place funds in another manner within the control of a Participant Person, in accordance with the rules and procedures of the Financial Market Infrastructure.
3. Instructions for discharge from obligation to pay, for the purposes of the operational rules of a Clearing and Settlement System.
4. Instructions by a Participant Person to either settle an obligation by transferring a book-entry security, or transferring those securities.
5. Instructions by a Participant Person that result in the assumption or discharge of retail operations payment obligation.

Participant Person : In respect of a Financial Market Infrastructure, means any Person who is party to the arrangements for which such infrastructure has been established.

Designated Functions : Functions of the Authorized Individual at, or for the benefit of, a Licensed Financial Institution of influential nature on the institution's activities.

Authorized Individual : Any natural person authorized in accordance with the provisions of this decree-law, to carry on any of the Designated Functions.

Resolution : Restructuring or liquidating any Licensed Financial Institution utilizing the powers of resolution referred to in Articles nos. (142) and (143) of this decree-law, for the purpose of continuing key functions of such institution, maintaining financial stability, and minimum costs for customers, Insured or Beneficiaries, as the case may be.

Currency : The State's official national currency in notes, coins, and digital form, units of which are referred to as the 'Dirham'.

Monetary Base : Includes the following:

1. Issued Currency.
2. Aggregate balances of current accounts and deposits of Licensed Financial Institutions with the Central Bank, including Reserve Requirements, in addition to any other funds deposited with the Central Bank for the purpose of clearing and settlement operations.
3. Outstanding balance of securities and financial instruments issued by the Central Bank.

Reserve Requirements	: The percentage of qualified liabilities held by deposit-taking Licensed Financial Institutions, which the Central Bank may decide to keep with it, as per the terms and conditions it may determine.
Foreign Reserves	: Foreign assets held by the Central Bank denominated in any foreign reserve currency and deployed to back its liabilities.
Virtual Assets	: A digital representation of value or of rights that can be transferred and stored electronically using distributed ledger technology, excluding Currency issued in digital form.
Clearing and Settlement System	: Any system established for any of the following purposes: <ol style="list-style-type: none"> 1. Clearing or settlement of payment obligations. 2. Clearing or settlement of obligations to transfer specific book-entry securities, or transfer of such securities.
Netting	: In respect of a Clearing and Settlement System, and for the purpose of this decree-law, means the conversion of the various obligations owed to or by a Participant Person towards all other Participant Persons in the system, into one net obligation owed to or by the Participant Person.
Retail Payment System	: Any fund transfer system and related instruments, mechanisms, and arrangements that typically handles a large volume of relatively low-value payments in such forms as cheques, credit transfers, direct debit, or card payment transactions.

- Insurance Company (Insurer)** : Any juridical person, licensed in accordance with the provisions of this decree-law and the regulations issued in implementation thereof to carry on insurance business and activities in the State.
- Reinsurance Company** : Any juridical person licensed in accordance with the provisions of this decree-law and the regulations issued in implementation thereof to carry on reinsurance business and activities.
- Takaful Insurance** : A scheme intended to achieve solidarity and cooperation among a group of participants to address certain risks, whereas each participant makes a contribution to the Takaful Insurance Fund, based on the concept of 'Tabaru'. Such fund bears the responsibility of paying compensation to those entitled to it in the event that specific risks materialize.
- Takaful Insurance Company** : An Insurance Company that carries on insurance business and activities in accordance with the rules and principles of Islamic Shari`ah, and this decree-law and the regulations issued in implementation thereof.
- Takaful Insurance Fund** : A Fund that is established by a (Re)Takaful Insurance Company or an Insurance Company licensed to carry on Takaful insurance business and activities in accordance with the rules and principles of Islamic Shari`ah, and this decree-law and the regulations issued in implementation thereof.
- Insured** : A Person that enters into an Insurance Policy with an Insurance Company for their benefit, the benefit of the named Insured, or for the benefit of the Beneficiary.
- Beneficiary** : In respect of an Insurance Company, a Person who initially acquired the rights of an Insurance Policy or to whom such rights are legally transferred.
- Insurance Policy** : A contract between an Insurance Company and an Insured setting out the insurance terms, rights and obligations of both contracting parties or the rights of the insurance Beneficiary. The

annexes attached to such policy constitute an integral part thereof.

Premium : In respect of an Insurance Company, a financial consideration paid or payable by the Insured under the Insurance Policy and is called 'Contribution' in Takaful Insurance.

Insurance Broker : A juridical person licensed in accordance with the provisions of this decree-law and the regulations issued in implementation thereof, and acts as independent intermediary in insurance and reinsurance business and services between an insurance or reinsurance applicant on one side and any (Re)Insurance Company on the other side, and receives for its efforts commission from the company with which the insurance or reinsurance has been concluded.

Insurance Agent : A Person licensed or authorized in accordance with the provisions of this decree-law and the regulations issued in implementation thereof, and approved by the Insurance Company to carry on insurance business and services on its behalf.

Technical Provisions : In respect of an Insurance Company, provisions which the Insurance Company shall deduct and retain to cover accrued financial obligations vis-à-vis the Insured or Beneficiaries, pursuant to the provisions of this decree-law.

Insurance-Related Professions : Professions carried on by any Person licensed in accordance with the provisions of this decree-law, and the regulations issued in implementation thereof, such as an Insurance Agent, Insurance Broker, surveyor and loss adjuster, insurance consultant, Actuary, health insurance third party administrators, or any other profession related to insurance as determined by the Central Bank.

Solvency Margin : In respect of an Insurance Company, a surplus in the value of actual assets over its liabilities to such an extent that enables it to

fulfil all its obligations and pay the required insurance claims when due, without impeding its business or weakening its financial position.

- Actuary** : In respect of an Insurance Company, a Person licensed or authorized in accordance with the provisions of this decree-law and the regulations issued in implementation thereof, to determine the value and price of Insurance Policies, and to assess the Technical Provisions, accounts and all matters related thereto.
- Grievances and Appeals Committee** : The committee referred to in Article (167) of this decree-law.
- Person** : A natural or juridical person, as the case may be.
- Year** : The Gregorian calendar year.

Article (2)

Scope of Application of this Decree-Law

The provisions of this decree-law shall apply to the Central Bank, financial institutions, insurance business, financial activities, and Persons subject to it; and shall not apply to the Financial Free Zones in the State and financial institutions regulated by the authorities of such zones.

Part One

The Central Bank

Chapter One

Organization, Scope and Objectives of the Central Bank

Article (3)

Independence of the Central Bank

1. The Central Bank shall be considered a federal public institution having its own body corporate, and enjoying financial and managerial independence, and the required juridical

capacity to conduct all business and activities, which ensure attainment of its objectives. The Central Bank shall directly report to the President of the State.

2. The Central Bank shall not be subject to the provisions of laws relating to public finance, tenders and auctions, public accounts and 'Federal Human Resources', and its own regulations in these respects shall apply.
3. The functions of the 'UAE Accountability Authority' shall be confined to post audit and it shall have no right to interfere in the running of the Central Bank business, or challenge its policies.

Article (4)

The Central Bank Headquarters

Headquarters of the Central Bank and its official address, along with its main branch shall be located in the State's capital and may, upon Board of Directors approval, establish affiliated entities and open branches, offices and agencies inside and outside the State, and appoint agents and correspondents inside and outside the State.

Article (5)

Principal Objectives and Functions of the Central Bank

1. The Central Bank aims at achieving the following objectives:
 - a. Maintain stability of the national Currency within the framework of the monetary system;
 - b. Contribute to the promotion and protection of the stability of the financial system in the State; and
 - c. Ensure prudent management of the Central Bank's Foreign Reserves.
2. For the purpose of achieving its objectives, the Central Bank shall have the following functions and powers:
 - a. Establish and implement monetary policy.
 - b. Regulate Licensed Financial Activities, develop and promote proper standards of conduct of business, sound and prudential practices amongst Licensed Financial Institutions in accordance with the provisions of this decree-law and international standards.

- c. Issue regulations, standards, circulars, and guidelines to ensure that Licensed Financial Activities are carried on with integrity, prudence and the appropriate level of professional competence, and in manners not detrimental to the interest of customers, Insured, and Beneficiaries.
- d. Maintain sufficient Foreign Reserves to cover the Monetary Base as per the provisions of this decree-law.
- e. Foster sustainable finance in the State and integrate environmental, social, and governance principles into the Central Bank's business and operations.
- f. Monitor and analyze systemic risk in the financial system.
- g. Regulate, develop, oversee, and maintain soundness and efficiency of Financial Market Infrastructures.

Chapter Two

Capital, Reserves and Accounts of the Central Bank

Article (6)

Capital and Reserves

1. The paid-up capital of the Central Bank shall be twenty billion (20,000,000,000) Dirhams.
2. The Central Bank shall maintain a 'General Reserve Account' for the purpose of building capital reserves from net profits it realizes annually. The formation, amount and regulation of such reserve shall be determined by a decision of the Board of Directors.
3. The capital of the Central Bank may be increased from time to time, and such increase may be made from the General Reserve Account by a decision issued by the Board of Directors after coordination with the Minister.
4. The capital of the Central Bank may be increased, and such increase may be funded by the Government, pursuant to a federal decree issued based on a proposal by the Board of Directors, after agreement with the Minister and the presentation of the Chairman of the Presidential Court.
5. The capital of the Central Bank shall only be reduced by law.

Article (7)

Profits and Losses of the Central Bank

1. The Board of Directors shall, at the end of each financial year, determine the Central Bank's annual net profits after deducting administrative and operational expenses, and allocating necessary funds for depreciation of assets and reserves, provisions for bad and doubtful debts and end of service indemnity for the staff of the Central Bank, along with the contingencies and other purposes, the Board of Directors may determine, and in general, all other financial expenses normally deducted from net profits by banks.
2. The President of the State shall issue a decision on the amount to be deducted each year from the net profits and transferred to the Government, based on a recommendation from the Board of Directors after agreement with the Minister.
3. Should the reserves of the Central Bank, at the end of the financial year, be insufficient to cover its losses and meet its obligations; the deficit shall be covered by the Government, in accordance with the terms agreed upon between the Central Bank and the Government.

Article (8)

Financial Year and Organization of Operations and Accounts

1. The financial year for the Central Bank shall commence on the first day of January and end on the thirty-first day of December of each Year.
2. Operations of the Central Bank shall be conducted, and its balance sheet and accounts shall be organized in accordance with international standards and banking rules and customs. The Central Bank's operations with third parties shall be considered commercial.

Article (9)

Accounts Auditing

The accounts of the Central Bank shall be audited by an auditor or more, selected periodically by the Board of Directors. The Board of Directors shall determine the auditors' annual remunerations.

Article (10)

Required Statements and Accounts Reports

1. Within three (3) months from end of the financial year, the Central Bank shall submit to the Chairman of the Presidential Court an annual report to be presented to the President of the State on the following:
 - a. The final accounts of the Central Bank, ensuring that they reflect its true financial position and a report on its performance, including the budget for the financial year ended, approved by the auditors. The financial position shall be published in the Official Gazette.
 - b. The Central Bank's activities and business during the financial year.
 - c. An overview of monetary, banking, and financial developments in the State.
2. The Central Bank shall provide the Ministry, upon its request, with any of the following:
 - a. A copy of the annual report referred to in item (1) of this article.
 - b. Information that the Minister may request on monetary, banking and financial developments in the State, along with semi-annual reports covering all aspects related to such developments.
 - c. A quarterly statement of the Central Bank's assets and liabilities, which statement shall be published in the Official Gazette.

Chapter Three

Management of the Central Bank

Section One

The Board of Directors

Article (11)

Members of the Board of Directors

The Central Bank shall be managed by a Board of Directors of seven (7) members, including the Chairman and the Governor.

Article (12)

Members Appointment

1. Members of the Board of Directors shall be appointed by a federal decree based on recommendation of the Cabinet, and shall serve for a four (4) year term renewable for similar periods. The federal decree designates from among the members of the Board of Directors one or more deputy Chairman.
2. The Chairman and the Governor, shall each have the rank of minister.
3. The Chairman shall issue a decision defining the powers of his deputies.
4. Notwithstanding the provisions of item three (3) of this article, should the Chairman be absent or his post became vacant, his deputy shall replace him; and should both the Chairman and his deputies be absent or their posts became vacant, the Governor shall replace them.

Article (13)

Membership Conditions

A member of the Board of Directors shall satisfy the following conditions:

1. Must hold UAE nationality;
2. Have experience in economic, financial, or banking affairs;
3. Not have been declared bankrupt or failed to repay his debts;
4. Not have been convicted, of a felony or a misdemeanor involving moral turpitude or dishonesty, unless rehabilitated;
5. Not an active minister, except the Chairman;
6. Not a member of the 'Federal National Council';
7. Not holding any position, a job or board of directors' membership of any institution licensed by any of the Regulatory Authorities in the State or by any of the regulatory authorities in the Financial Free Zones; and
8. Not an auditor of accounts of a Licensed Financial Institution, nor owner, agent, or partner in any accounts audit firm.

Article (14)

Resignation or Vacancy of Position

1. A member of the Board of Directors appointed in accordance with Article (12) of this decree-law may seek approval of his resignation by a written request submitted to the Chairman. A federal decree accepting such resignation shall be issued upon the Chairman's recommendation.
2. Should the resignation of a member of the Board of Directors is accepted, or his seat become vacant for any reason whatsoever prior to the expiry of his term of office, a successor shall be appointed, in accordance with the membership conditions referred to in Article (13) of this decree-law, for the remaining term of office of the Board of Directors.

Article (15)

Termination of Membership

1. Membership of the Board of Directors terminates upon end of the term of office without renewal, death, or resignation. Membership of the Board of Directors may also be terminated by a federal decree, based on the Cabinet approval, in any of the following cases:
 - a. If the member committed a material misconduct or breach while performing his duties.
 - b. If the member absented himself from three (3) consecutive meetings of the Board of Directors without the Board of Directors' approval, unless such absence was due to his being on an official assignment, annual or sick leave, or due to any other acceptable reason.
 - c. If the member no longer satisfies any of the membership conditions referred to in Article (13) of this decree-law.
 - d. If the member was rendered incapable of performing his functions, for any reason whatsoever.
2. Where term of office of members of the Board of Directors has expired without renewal, members of the Board of Directors shall continue to perform their functions until such time new members were appointed to replace them. The decisions issued by the Board of Directors during this period shall be considered valid and enforceable.

Article (16)

Powers and Functions of the Board of Directors

The Board of Directors shall, within the limits of the provisions of this decree-law, exercise all powers required for achieving the objectives for which the Central Bank has been established.

The Board of Directors shall, in particular, exercise the following:

1. Approve regulations, standards, instructions and business controls to perform its functions and jurisdictions, and take all measures and actions necessary to enforce the provisions of this decree-law.
2. Approve the monetary management framework of the Central Bank, as per the established monetary system.
3. Approve and oversee implementation of policies for deployment and management of the Central Bank's Foreign Reserves and other assets.
4. Approve policies and regulations to mitigate systemic risk in the financial system, as a whole.
5. Approve regulations, standards, guidelines and policies regulating Licensed Financial Institutions and the conduct of Licensed Financial Activities and decide on related matters, including regulations and procedures relating to supervision and oversight thereof at both individual and consolidated levels.
6. Determine conditions and rules for granting licenses to carry on Licensed Financial Activities and authorizations to undertake Designated Functions.
7. Approve regulations, controls, and procedures for countering money laundering and combating terrorism financing.
8. Decide on matters relating to issuance of the Currency and its withdrawal from circulation.
9. Take necessary actions, procedures and impose administrative penalties against any Person violating the provisions of this decree-law, and regulations issued in implementation thereof.
10. Approve rules and regulations for maintaining integrity and efficiency of Financial Market Infrastructures licensed, established, developed, or operated by the Central Bank.
11. Approve the Central Bank's policies, including the organizational structure and the administrative, human resources, financial systems, risk, compliance and technical guidelines, and determine powers and competences.

12. Approve rules for the Central Bank strategies, and institutional governance, including a set of rules and regulations aimed at achieving performance quality and excellence.
13. Approve settlements and reconciliations relating to Central Bank's business.
14. Approve the Central Bank's draft annual budget and any variations thereto during the year.
15. Approve the Central Bank's annual final accounts and the amount of net annual profits.
16. Deal with all other matters deemed within its powers and are conducive to achievement of the objectives of the Central Bank and the discharge of its functions, in accordance with the provisions of this decree-law.
17. Any other responsibilities assigned by the President of the State.

Article (17)

Formation of Committees and Delegation of Authorities

1. The Board of Directors may form committees it deems appropriate to assist in the discharge of its functions and jurisdictions in accordance with the provisions of this decree-law.
2. Such committees referred in item (1) of this article may be formed from within the Board of Directors, or from outside the Board of Directors. The Board of Directors may also form advisory boards and committees, which include in their membership Persons from outside the Central Bank, and shall determine the remunerations of members of such boards and committees.
3. The Board of Directors may delegate some of its powers to any committee within the Board of Directors, the Chairman, the Governor, senior executives, or whomsoever deemed appropriate within the Central Bank.
4. The Board of Directors may annually review the terms of reference, performance of the committees, and advisory boards formed in accordance with the provisions of this article, and may take necessary actions to ensure compliance with professional and international standards, codes of conduct and governance.

Article (18)

Meetings of the Board of Directors

1. The Board of Directors shall, upon invitation by the Chairman, hold an ordinary meeting, at least once every sixty (60) days.
2. The Chairman may call the Board of Directors to convene whenever the need arises.
3. The Chairman shall convene the Board of Directors upon request of, at least, three (3) members of the Board of Directors.

Article (19)

Meetings Quorum

1. The Board of Directors meeting shall not be valid unless attended by at least (5) five members, including the Chairman, one of his deputies, or the Governor.
2. Decisions of the Board of Directors shall be adopted by a majority vote of the members present. In case of a tie, the Chairman of the session shall have the casting vote.

Article (20)

Remunerations and Entitlements

The Board of Directors shall establish a regulation regarding remunerations of the Governor and his other entitlements, and the remunerations of the Chairman and members of the Board of Directors. A federal decree, to this effect, shall be issued.

Section Two

Governor of the Central Bank, his Deputies and Assistants

Article (21)

Powers and Competencies of the Governor

1. Without prejudice to the powers established for the Board of Directors or the Chairman provided herein, the Governor shall be the legal representative of the Central Bank.
2. Without prejudice to any competencies established for the Board of Directors or the Chairman, the Governor shall be responsible for:

- a. Managing the Central Bank, and conducting its business in general, including managing its day-to-day operations; implementing regulations, directives, rules and internal policies approved by the Board of Directors.
 - b. Signing on behalf of the Central Bank all instruments, contracts, and documents related to its business.
 - c. Implementing this decree-law, the regulations of the Central Bank and decisions of the Board of Directors.
3. The Governor may delegate some of his powers and competencies to any of his deputies, assistants, or any staff of the Central Bank.
 4. It is prohibited for any person in the State, including financial and non-financial free zones, to use the title “Governor” or its equivalent in any language, if this is likely to give the impression or mislead others that he holds the position of Governor of the Central Bank.

Article (22)

Appointment of Deputy and Assistant Governors

The Governor shall have deputies and assistants with the rank of undersecretary, appointed by federal decree upon the proposal of the Chairman. They shall assist the Governor in exercising his powers. The Governor may delegate to them some of his powers or assign them any other duties or responsibilities.

Article (23)

Dedication of Service

1. The Governor, his deputies and assistants shall devote their full time to their work at the Central Bank, and none of them shall hold any paid or unpaid position, or be a member of the board of directors of any Licensed Financial Institution, or enter, directly or indirectly, in any contracts concluded by the Public Sector.
2. The prohibitions referred to in item (1) of this article shall not apply to assignments entrusted to any of them by the Government or any of the governments of Union member emirates in the Public Sector, including representation in international conferences, or representation of the Public Sector in the various committees, subject to the approval of the Board of Directors.

3. The prohibitions referred to in item (1) of this article shall not apply to entities and companies established, partnered in, controlled, supervised, or managed by the Central Bank to achieve its objectives and discharge its functions, subject to approval by the Board of Directors.

Section Three

Higher Shari`ah Authority

Article (24)

Establishment and Powers of the Higher Shari`ah Authority

1. An authority named Higher Shari`ah Authority attached to the Central Bank shall be established with a membership of not less than five (5) members and not exceeding seven (7) members, of sufficient knowledge, experience in jurisprudence of Islamic financial transactions.
2. The Board of Directors shall approve the Higher Shari`ah Authority's charter, powers, functions, and competences; and the mechanism for its funding.
3. The Central Bank shall issue a decision to appoint the Higher Shari`ah Authority members in accordance with its charter; and members shall serve for a three (3) years term renewable for similar periods.
4. Islamic Financial Institutions shall bear all expenses of the Higher Shari`ah Authority including remunerations, allowances and expenses of its members, in accordance with the Higher Shari`ah Authority's charter approved by the Central Bank.
5. The Higher Shari`ah Authority shall establish the Shari`ah rules, controls, standards, and general principles relevant to Shari`ah-compliant Activities and Business, and Shari`ah governance requirements applicable thereto. The Higher Shari`ah Authority shall also undertake supervision and oversight of the internal Shari`ah supervisory committees of Islamic Financial Institutions, referred to in Article (75) of this decree-law.
6. The Higher Shari`ah Authority shall undertake the following:
 - a. Provide its opinion regarding specific regulatory rules and instructions relating to the operations and activities of Islamic Financial Institutions;

- b. Provide its opinion regarding the activities of the Central Bank's subsidiaries relating to their operations and activities that are compatible with the rules and principles of Islamic Shari`ah;
 - c. Provide its opinion on sovereign sukuk issuances and other Shari`ah compliant instruments; developed and issued by the Government and governments of Union member emirates, upon their request;
 - d. Approve Shari`ah compliant monetary and financial instruments developed and issued by the Central Bank and its subsidiaries, directly or indirectly, to manage monetary policy operations and develop Islamic money and capital markets in the State; and
 - e. Exercise its powers and mandates stipulated in applicable laws and regulations in the State.
7. The Higher Shari`ah Authority may issue resolutions and fatwas, upon request from Government-Related Entities and at their own expense, pertinent to their sukuk issuance programs or other Islamic financial structures, if it deems this conducive to the development of Islamic money and capital markets in the State.
8. The resolutions and fatwas of the Higher Shari`ah Authority shall be binding on the internal Shari`ah supervisory committees, referred to in Article (75) of this decree-law as well as on Islamic Financial Institutions, and other entities seeking Higher Shari`ah Authority's opinion, resolutions and fatwas.
9. The Higher Shari`ah Authority may require special examination or seek the assistance of a specialized entity, if deemed necessary, to conduct Shari`ah audit on Shari`ah-compliant Activities and Business of any Islamic Financial Institution, or any other entity seeking Higher Shari`ah Authority opinion, resolutions and fatwas, or in relation to any instrument approved by the Higher Shari`ah Authority. The Higher Shari`ah Authority shall determine the scope of work and procedures of such specialized entity. The expenses for such engagement shall be borne by the Islamic financial institution or entity requesting such opinion, in accordance with the terms and conditions issued by a decision of the Central Bank.

10. With the exception of the provisions of paragraph (c) of item (6) of this article, no other provisions contained in this Article shall apply to the Government or governments of Union member emirates.

Section Four

Institutional Safeguards and Cooperation Frameworks

Article (25)

Exemption from Liability

1. The Central Bank, members of the Board of Directors, members of committees formed by the Board of Directors, whether from within its membership or from outside, members of advisory boards, staff of the Central Bank and its duly authorized representatives, shall all be exempt from civil liability towards third parties, unless bad faith, with intent to harm third parties was established in respect of the following:
 - a. Exercise, or failure to exercise, the functions, powers, authorities and business of the Central Bank, or their own functions, competencies and powers, authorities, and all related practices.
 - b. Instructions, guidelines, declarations, data, statements and opinions given by them in relation to the practice of the Central Bank's functions, powers, authorities and business, or their own functions, competencies, authorities and business.
2. The Central Bank shall bear all charges, costs, expenses, and attorney fees relating to defense of the Persons referred to in item (1) of this article, in lawsuits pertaining to discharge of their functions at the Central Bank. The Central Bank may have recourse to any of the Persons mentioned in this article if it is proven that they acted in bad faith and intended to harm third parties.

Article (26)

Confidential Information

1. It is prohibited for any member of the Board of Directors, any member of the committees and advisory boards formed by the Board of Directors, any employee or representative of the Central Bank, any expert, technical personnel, or academic the Central Bank deals with,

to disclose any information that is confidential, unless such disclosure is consistent with the provisions of item (3) of this article. This prohibition shall remain effective even after the expiry of membership or termination of the service or the function.

2. Confidential information shall include all information received by any of the Persons referred to in item (1) of this article, by virtue of their positions, or in the course of discharging their functions, as long as such information are not made available to the public through official or legal means.
3. Without prejudice to the provisions of Article (28) of this decree-law, confidential information may be disclosed where such disclosure is permitted, enforced by law or the judiciary, or addressed to authorities and entities inside or outside the State, or a Financial Free Zone.

Article (27)

Declaration of Conflicts of Interest

1. A member of the Board of Directors shall, upon his appointment, declare his interests, which may conflict with his membership at the Board of Directors. Should any member of the Board of Directors have a personal interest in any contract or dealing to which the Central Bank is party, such member shall disclose such interest prior to the discussion of the subject; withdraw from the meeting when such dealing or contract is discussed, and shall not participate in voting pertaining thereto, in accordance with the code of conduct and governance rules issued by the Board of Directors.
2. Every employee or representative of the Central Bank shall disclose to his manager, or his direct supervisor, any interest which may be in conflict with the discharge of his functions, and he may not participate in exchange of opinions, and decisions or measures, taken in this regard.
3. Every member of the committees and advisory boards formed by the Board of Directors, and the experts, technicians or academics with whom the Central Bank deals, shall disclose any interest that may conflict with the performance of their duties, and none of them may participate in expressing an opinion or taking decisions or actions in this regard, if applicable.

4. The Board of Directors shall establish codes of conduct for employees and representatives of the Central Bank, as well as disclosure procedures, compliance, and governance.

Article (28)

Cooperation with Local and International Authorities

1. The Central Bank may cooperate with the regulatory authorities in the State, the concerned regulatory authorities outside the State or in Financial Free Zones , and with international organizations and institutions, in providing assistance and exchanging information, subject to the following conditions:
 - a. The request does not contravene any of the State’s established laws and regulations;
 - b. The request is made on basis of reciprocity; and
 - c. The request is not in conflict with the public interest and public order requirements.
2. The Central Bank may, in coordination and collaboration with the concerned regulatory authorities, and in compliance with applicable laws, exercise its powers on branches or institutions affiliated with Licensed Financial Institutions operating outside the State or in Financial Free Zones.

Article (29)

Engagement of Experts, Technical Personnel and Academics

The Central Bank may seek assistance of experts, technical personnel and academics, or any other party deemed appropriate, and determine their remunerations and entitlements. The Board of Directors may also invite to its meetings whomever it may wish to engage with and hear their opinion on specific issues or topics, provided that such invitee to the meeting shall have no counted vote in deliberations.

Article (30)

Provision of opinion on Draft Regulations and Rules

1. The Central Bank may elect to involve the public or industry professionals, within a prescribed time period, in providing their opinions on draft regulations and rules regulating the business of Licensed Financial Institutions and Licensed Financial Activities.

2. For transparency and public interest purposes, the Central Bank may publish comments and opinions referred to in item (1) of this article.

Chapter Four

Monetary Policy and Financial Stability

Article (31)

Monetary Policy

The Central Bank shall:

1. Determine its monetary management framework, related tools and operational set-up for implementation of its monetary policy objectives, including policies relating to the management of the exchange rate of the Dirham and money markets in the State.
2. Determine the Dirham's exchange rate regime, after approval by the Cabinet.
3. Take necessary measures to manage and control the official exchange rate of the Dirham, as per the guidelines set by the Board of Directors to ensure functioning of money and capital markets in the State.

Article (32)

Reserve Requirements

1. The Central Bank may, for macroprudential and liquidity management purposes, impose minimum Reserve Requirements on qualified liabilities held with deposit-taking Licensed Financial Institutions.
2. The Central Bank shall specify all operational arrangements related to the maintenance of Reserve Requirements referred to in this article, including the level and manner in which ratios of Reserve Requirements are calculated, as it deems appropriate.

Article (33)

Macroprudential Policy

The Central Bank shall determine its macroprudential policy framework and therein establish related instruments to contribute in promoting and protecting financial stability in the State. Macroprudential policy tools refer to measures taken within the scope of the Central Bank's

power, which aims to mitigate risks in the State's financial system, and reduce the effects of threats to it.

Article (34)

Coordination between Monetary and Fiscal Policies

The Central Bank and the Ministry shall establish a mechanism for coordinating monetary policy and fiscal policy for the purpose of achieving balanced and sustainable growth in the national economy. Such coordination shall take place before the beginning of each financial year, or whenever necessary, and shall be in respect of volume of Public Sector expenditures and debts, along with debts of Government-Related Entities, and their respective plans regarding debt issuance in Dirham and foreign currencies.

Article (35)

Designating Systemically Important Licensed Financial Institutions

The Central Bank shall solely have the authority to designate any Licensed Financial Institution as systemically important. For such purpose, the Central Bank may require the designated Licensed Financial Institution to take necessary measures and procedures.

Article (36)

Domestic Market and External Sector Statistics

1. The Public Sector and Government-Related Entities shall provide the Central Bank with all information and statistics it requires for the purpose of achieving its objectives and discharging its functions under the provisions of this decree-law. Such information and statistics shall include all monetary and economic statistics, as well as external sector statistics and customer prices. The Central Bank may publish the statistics it deems appropriate, in whole or in part, based on coordination with the relevant authorities.
2. The Central Bank, as it deems necessary for the compilation of domestic market and external sector statistics, may request data on a standalone or ongoing basis on the business activities from any juridical person in the State, including entities for the issuing or processing of payment instruments, clearing and settlement of financial instruments

and transactions, pension funds, and investment and holding companies, based on coordination with the relevant authorities. Any such request made shall have a binding effect.

3. The Central Bank shall maintain confidentiality with respect to data collected from establishments and authorities referred to in items (1) and (2) of this article. For the purpose of publication, data shall be aggregated or disseminated to competent authorities in the State and international organizations and bodies, in the form of statistics.
4. The Central Bank shall issue guidelines to the establishments and authorities referred to in items (1) and (2) of this article on the type of data to be provided to the Central Bank.

Article (37)

Research and Periodic Reports

The Central Bank may undertake any of the following:

1. Conduct studies, research, surveys, working papers and analyses in areas including the macro-economy, monetary policy, financial stability, banking sector, insurance and financial technology, as deemed of strategic importance to the State economy. For this purpose, the Central Bank shall collect and compile requisite information and statistical data from relevant authorities.
2. Publish periodic reports, policy briefs studies, research, surveys, and working papers that contain relevant analyses to inform policy decisions.

Chapter Five

Central Bank Operations

Section One

Operations with the Public Sector and Government-Related Entities

Article (38)

Advisor and Financial Agent of the Government

The Central Bank shall:

1. Advise the Government on matters falling within its jurisdiction, and shall provide its opinion on monetary, banking, and financial affairs as requested by the Government.

2. Participate in negotiations relating to the Government's international monetary and financial agreements, and may be assigned with implementation of provisions of such agreements.

Article (39)

Banker to the Public Sector and Government-Related Entities

1. For the purposes of achieving objectives of its monetary policy, and in order to provide for Public Sector and Government-Related Entities' needs for Dirham and foreign currencies, the Central Bank shall buy or sell foreign currencies against the Dirham to the concerned counterparty, at prevailing exchange rates.
2. The Central Bank may conduct banking operations and services for the Public Sector and Government-Related Entities, whether inside or outside the State or in a Financial Free Zone, for fees.
3. The Public Sector and Government-Related Entities may open accounts in Dirham and foreign currencies with the Central Bank, and conduct transfers through such accounts. The Central Bank shall pay or charge interest thereon in view of the prevailing rates.
4. The Central Bank may grant advances or other credit facilities to the Government, at interest rates set in accordance with the terms and conditions of the agreement signed between the Central Bank and the Ministry in this regard, provided that such advances and credit facilities shall be for the purpose of covering a temporary, unforeseen deficit in Government revenues, against its expenses. The Government shall not re-lend or grant these advances to any other entity. Granted advances shall at no time exceed ten percent (10%) of the Government's average revenues realized in the budgets of the last three (3) years. The Government shall repay these advances within a period not exceeding one (1) year from the date of granting thereof. In case advances were not repaid at the date specified in this item, interest shall be calculated on the outstanding balance, as specified in the agreement signed between the Central Bank and the Ministry.

Article (40)

Investment and Deployment of Government Funds

Apart from the funds deposited with the Central Bank in accordance with the provisions of Article (39) of this decree-law, the Central Bank shall not interfere in the investment and deployment of Government funds or funds of governments of Union member emirates, unless it is assigned to do so per any agreement concluded between the concerned government and the Central Bank.

Section Two

Operations with Financial Institutions, Monetary Authorities, and other Central Banks

Article (41)

Opening of Accounts and Maintaining Financial Balances

The Central Bank may:

1. Open Dirham or foreign currencies accounts for Licensed Financial Institutions, securities exchanges and central counterparties, central securities depositories, operating in the State, other monetary authorities and central banks, non-resident financial institutions, international financial and monetary institutions, as well as Arab and international monetary funds. The Central Bank may pay or charge agreed interest on any financial balances held in such accounts.
2. Maintain financial balances referred to in item (1) of this article, in digital forms, in accordance with established rules and guidelines.

Article (42)

Money and Capital Markets Operations

The Central Bank may conduct the following money and capital markets operations:

1. Purchase, re-purchase, sell, accept and place deposits of gold bullion and precious metals.
2. Maintain interest bearing and non-interest-bearing accounts for banks, other monetary authorities and central banks, and financial institutions, accept monetary deposits, and take assets into custody.

3. Open accounts or place monetary deposits with banks, other monetary authorities and central banks and other financial institutions inside and outside the State.
4. Issue bills payable upon demand and other types of payable financial transfers, at its head office, branches, and offices of its agents or correspondents.
5. Conduct foreign currency operations and external transfer operations with the Public Sector, Government-Related Entities, other monetary authorities and central banks, and Arab and international financial institutions and funds.
6. Issue securities in the name of the Central Bank, and sell and re-purchase, or pledge, and, or redeem such securities for the purposes of managing its open market operations.
7. Enter into securities lending and borrowing arrangements, purchase, or re-purchase, or sell, or pledge securities and other financial instruments as per established terms and conditions.
8. Purchase, re-purchase, and sell Shari`ah-compliant commodities, securities, and other financial products in order to develop Islamic liquidity management instruments.
9. Grant collateralized loans, advances, other credit facilities, and Shari`ah-compliant funding facilities to Licensed Financial Institutions, for the purpose of managing open markets operations, in accordance with the terms and conditions the Central Bank deems appropriate and determines from time to time.
10. Grant collateralized loans and advances to other monetary authorities and central banks, foreign banks, and international financial institutions, and obtain loans and advances therefrom, provided there is consistency of such operations with the Central Bank's functions and jurisdictions. Interest or commission may be paid or charged for this purpose.
11. Borrow money, establish credit, and provide guarantees, in any currency, inside or outside the State or in a Financial Free Zone, in accordance with the terms and conditions the Central Bank deems appropriate for the purpose of conducting its own business.
12. Act as a correspondent banker or agent for other monetary authorities and central banks, financial institutions, and international or regional monetary funds.
13. Conduct all other operations as may be deemed by the Central Bank conducive to the achievement of its objectives and the discharge of its functions.

Article (43)

Monetary and Financial Stability Measures

The Central Bank may:

1. Take all necessary measures to maintain the conduct of operations of Licensed Financial Institutions, within the frameworks and controls it deems appropriate. For this purpose, the Central Bank shall have the power to:
 - a. Request the convening of a general assembly of Licensed Financial Institutions to discuss any matter the Central Bank considers significant;
 - b. Require the deletion or inclusion of any agenda item it deems necessary in the general assembly meetings of Licensed Financial Institutions;
 - c. Suspend the implementation of any resolution passed by the general assembly of the Licensed Financial Institution in the event that it violates the laws and regulations in force; and
 - d. Invalidating voting processes or any decision resulting from the general assembly; if such vote was conducted in violation of the provisions of this decree-law or any regulations issued by the Central Bank, or results in decisions that conflict with the Central Bank's regulatory requirements.
2. Provide, if it deems such action is necessary to safeguard the stability of the monetary and financial systems in the State, special loans or advances to Licensed Financial Institutions, on such terms and conditions as it deems appropriate, in cases of necessity during extreme economic circumstances or during which the concerned counterparty is exposed to liquidity pressures or is subject to resolution procedures by the Central Bank.
3. Discharge the function of “market maker” of last resort through open market operations, if deemed necessary to safeguard the stability of money and capital markets in the State, adopting a broader scope across a wide range of financial instruments, including outright purchases and sales of non-marketable and illiquid securities or acceptance of such securities as collateral in repurchase agreements, and in collateralized loans or advances. Such open market operations shall be conducted by the Central Bank within the limits applicable to the framework of its monetary operations.

Article (44)

Management of Securities Programs and Appointment of Primary Dealers

1. The Central Bank shall issue rules and guidelines to manage securities programs it establishes, provided that such rules shall include issuance terms and conditions, tender process rules, custody, settlement, and trading such securities.
2. The Central Bank may appoint primary dealers providing them the right to participate in auctions for the sale and purchase of securities it issues, and shall establish a code applicable to their appointment and their functions, duties, and obligations in that capacity.
3. The Central Bank may act as registrar, auction agent, issuing agent, paying and calculation agent in connection with securities programs issued by the Public Sector and Government-Related Entities. The Central Bank shall establish, with relevant issuing parties, agency agreements and operational arrangements to define roles and responsibilities of each party in relation to their respective issuance programs. Public Sector and Government-Related Entities shall consult and coordinate with the Central Bank on the appointment of Primary Dealers to their respective issuance programs, subject to such rules, conditions and restrictions as the Central Bank may consider appropriate.
4. For the purpose of listing securities issued by the Public Sector or Government-Related Entities in the State's financial markets, the Central Bank shall only consider Primary Dealers who comply with the requirements of the concerned regulatory authority.
5. The provisions of this article shall not apply to government-owned entities in the form of an investment fund or a public joint-stock company, unless they have obtained approval from the relevant regulatory authority. These provisions shall also not apply to securities programs offered to the public.

Section Three
Investment of Central Bank's Funds and Monetary Base Cover
Article (45)
Investment of Funds

The Central Bank may:

1. Invest its funds in accordance with the investment policy and guidelines set by the Board of Directors, in all or any of the following:
 - a. Gold bullions and other precious metals.
 - b. Currencies in the form of notes, coins and digital, money at call and deposits in foreign countries.
 - c. Securities issued or guaranteed by governments of foreign countries and related entities, or by international monetary and financial institutions.
 - d. Securities, loans issued or guaranteed by the Public Sector and Government-Related Entities, or shares in any entity wherein the Government or governments of Union member emirates hold shares, or is granted a concession in the State.
 - e. Equities, corporate bonds and securities, real estate, derivatives and other financial instruments.
 - f. Projects, investment funds and financial and non-financial institutions inside and outside the State.
 - g. Any other financial assets the Central Bank deems appropriate for investment, subject to approval of the Board of Directors.
2. Appoint external parties to manage part of its funds as per the determined terms and conditions.

Article (46)
Monetary Base Cover

1. The market value of balance of Foreign Reserves held by the Central Bank, shall not, in all cases, be less than seventy percent (70%) of the value of the Monetary Base. Such Foreign Reserves shall consist of one or more than one of the following items:
 - a. Gold bullion and other precious metals.

- b. Cash, deposits and other monetary and payment instruments denominated in any foreign currency, freely convertible in global financial markets, including digital currencies issued by other central banks and monetary authorities.
 - c. Equities and securities denominated in any foreign currency, and issued or guaranteed by foreign governments and their related companies, entities, institutions, and agencies, or by international monetary and financial institutions, that are tradable in global financial markets.
 - d. Equities and other securities denominated in any foreign currency in accordance with the guidelines set in the Central Bank's investment policy.
2. The Board of Directors may reduce the Monetary Base cover ratio, referred to in item (1) of this article for a period not exceeding twelve (12) months.

Chapter Six

Institutional Provisions and Privileges

Article (47)

Establishment and Governance of Corporate Entities

The Central Bank, for the purpose of achieving its objectives and discharging its functions stipulated in this decree-law, may establish or participate in establishing commercial or financial companies or institutions, or for specific purposes, within or outside the State or in a Financial Free Zone, and may carry on any commercial activity or own movable or immovable property, in accordance with the governance controls and guidelines issued by the Board of Directors.

Article (48)

Privilege, Guarantee of Own Rights, and Settlement of Obligations

1. Debts of the Central Bank shall enjoy the same privilege that the Government debts have over property of its debtors. Debts of the Central Bank shall be collected in the same manner and by the same means prescribed for the collection of Government debts and property.

2. The Central Bank may collect all its debts, claims and dues from Licensed Financial Institutions through direct debit from cash balances and deposits held with the Central Bank or realize assets, which constitute guarantees for these debts, claims and dues, upon maturity thereof.
3. The Central Bank may purchase, by agreement or by forced sale, or acquire real estate and movable property in settlement of its debts, claims and dues in accordance with the law in force in the State. Such property shall be sold as soon as reasonably practicable, unless the Central Bank decides to use it for the conduct of its business, in accordance with the provisions of this decree-law.
4. The Central Bank shall obtain sufficient guarantees to fulfil its rights, including mortgage, pledge or waiver.
5. The Central Bank may, in case its secured rights or fines are not paid upon maturity thereof, after ten (10) working days from the date its debtor was duly notified, proceed with sale of any pledged assets or property, without prejudice to the Central Bank's right to initiate other legal proceedings against the debtor, until its secured rights are fully repaid.
6. Sale of pledged property pursuant to provisions of item (5) of this article shall be carried out by the competent court upon request of the Central Bank.
7. The Central Bank shall collect its dues from proceeds of the sale carried out pursuant to provisions of item (6) of this article. Should such proceeds exceed the Central Bank's dues and fines, the surplus shall be deposited with the Central Bank, at the debtor's disposal, without paying any interest.
8. The Central Bank shall not be considered liable for the payment of any obligations owed by the Government or any of the governments of Union member emirates, their respective authorities, companies or their branches.

Article (49)

Financial Exemptions

1. The Central Bank shall be exempt from taxes, fees, and expenses relating to the following:
 - a. Its capital, reserves, Currency issuance, or income.

- b. Its contribution, shares, or profits originating from companies and establishments it owns part of its capital.
2. The Central Bank and the companies and establishments it owns the majority of its shares shall be exempt from Court fees and bail bonds required by law.

Article (50)

Guardianship of Premises and Safe Transport of Funds and Valuables

1. The Government shall provide guardianship for the Central Bank's premises, and the security escort needed for the safe transport of funds and valuables, free of charge.
2. The Central Bank may establish necessary controls, guidelines and operational requirements to ensure the safety of the transfer of funds and valuables by providers of such services.

Article (51)

Dissolution of the Central Bank

The Central Bank shall not be dissolved except by a law specifying the rules and timing of its liquidation.

Part Two

Currency

Chapter One

Currency Unit and Issuance

Article (52)

Currency Unit

The official Currency of the State 'the Dirham' shall be referred as (د.ه.إ) in Arabic letters and as (AED) in Latin letters or as () in symbol, and be subdivided into one hundred (100) fils.

Article (53)

Currency Issuance

1. Issuance of Currency shall be the exclusive right of the State. This right shall be exercised solely and exclusively by the Central Bank.
2. No Person shall issue or put into circulation Currency or use any instrument as a payment or an exchange or token payable to bearer on demand, having the appearance of, or purporting to be, or are likely to pass as, or be confused with legal tender in the State or in any other country.

Article (54)

Currency Legal Tender

1. Currency notes and currency in digital form issued by the Central Bank shall be legal tender for payment of any amount with its full-face value.
2. Currency coins issued by the Central Bank shall be legal tender in the State for payment of any amount with its full-face value, and not exceeding fifty (50) Dirhams. Nevertheless, should such Currency coin be presented to the Central Bank, the latter shall accept them without any limitation of its amount.

Article (55)

Currency Specifications, Features and Denominations

1. Currency notes issued by the Central Bank shall be of such denominations, designs, and specifications, and bear such features as shall be decided by the Board of Directors and shall bear the official signature of the Chairman.
2. The Board of Directors shall determine the weight, composition, mix ratios, allowed variation, and all other specifications of Currency coins as well as the quantities of each denomination to be minted.
3. The Central Bank shall make necessary arrangements for printing of Currency notes referred to in item (1) of this article, and minting of Currency coins referred to in item (2) of this article, along with all matters relating to such printing, minting and safekeeping of such Currency notes and coins and related plates and dies.

4. The Central Bank shall issue the forms, designs, and specifications of the Currency in digital form, the conditions and controls for its possession, and other features determined by the Board of Directors.
5. The Central Bank shall publish decision to issue Currency notes and coins by the specifications, designs and all other features, in the Official Gazette.

Article (56)

Commemorative Currency

1. The Board of Directors shall determine conditions for sale and purchase of commemorative coins of precious metals and commemorative banknotes at the Central Bank.
2. The Central Bank may issue commemorative Currency for any wishing party, in accordance with the rules and conditions set by the Board of Directors.
3. The Board of Directors shall determine the denominations, fineness, and weights, measurements, allowed variation, and all other specifications of precious metals coins as well as the quantities of each denomination to be minted.
4. The Central Bank shall make necessary arrangements for minting and printing referred to in this article, along with all matters relating to such minting/printing and safekeeping of such commemorative Currency and related plates and dies.

Chapter Two

Currency Circulation and Withdrawal

Article (57)

Currency Notes and Coins

1. New Currency notes and coins shall be put in circulation by a Board of Directors decision specifying their denominations and quantities. Such decision shall be published in the Official Gazette and communicated to the public through appropriate media.
2. The Central Bank may, after approval of the Board of Directors, withdraw from circulation any denomination of Currency notes and coins against payment of their face value. Such

decision shall be published in the Official Gazette and communicated to the public through appropriate media.

3. The withdrawal decision, referred to in item (2) of this article, shall specify the time limit allowed for exchange, which shall not be less than three (3) months from date of publication of the decision in the Official Gazette. Such time limit may, if necessary, be reduced to fifteen (15) days.
4. Currency notes and coins not presented for exchange prior to expiry of the time limit referred to in item (3) of this article shall cease to be legal tender and shall not be negotiated. However, holders of such Currency notes and coins shall have the right to redeem them, at face value, at the Central Bank, within ten (10) years from the effective date of the withdrawal decision. Currency notes and coins not exchanged upon expiry of said ten-year period shall be taken out of circulation and their value shall be credited to Central Bank account.
5. Currency notes and coins withdrawn from circulation, in pursuance to the provision of item (4) of this article, shall be destroyed by the Central Bank in accordance with the instructions issued by the Central Bank in this respect.
6. The Central Bank shall be under no obligation to refund the value of any lost or stolen Currency notes and coins, or to accept or pay for counterfeit Currency notes and coins.
7. The Central Bank shall compensate any Licensed Financial Institution against the value of torn, mutilated or imperfect Currency notes and coins, which satisfy the requirements prescribed by the Central Bank in this regard. Currency notes and coins not satisfying those requirements shall be withdrawn from circulation without any compensation to bearers.

Article (58)

Currency in Digital Form

1. The Board of Directors shall issue a decision regulating the Currency in digital form to be put in circulation and redeemed in exchange for payment of its full nominal value, such decision may prescribe the method of legal transfer of Currency in digital form and shall be published in the Official Gazette and broadcasted to the public through appropriate media.

2. The Central Bank shall be under no obligation to refund the value of any Currency in digital form that is lost, seized or tampered with, or to accept or pay for any counterfeit currency.

Article (59)

Currency Mutilation, Destruction and Shredding

No Person is permitted to mutilate/deform, destroy or shred Currency, in whichever manner. The Board of Directors shall issue regulations on replacement of mutilated/deformed, destroyed or shredded Currency.

Part Three

Regulation of Licensed Financial Institutions and Activities

Chapter One

General Provisions

Article (60)

Prohibition of Carrying on or Promoting Financial Activities Without a License

1. No Person may carry on any of the Licensed Financial Activities without obtaining the required license in accordance with the provisions of this decree-law.
2. Licensed Financial Activities shall only be carried on, in or from within the State, by Persons licensed in accordance with the provisions of this decree-law, and the decisions and regulations issued in implementation thereof.
3. Promotion of any of the Licensed Financial Activities and financial products shall only be carried on in or from the State, in accordance with the provisions of this decree-law, and the rules and regulations issued in implementation thereof. The promotion referred to in this item shall mean any form of communication, by any means, aimed at inviting or offering to enter into any transaction, or offering to conclude any agreement related to any of the Licensed Financial Activities.
4. The Board of Directors may issue the regulations, rules, standards and directives relating to the prohibition to carry on Licensed Financial Activities without prior licensing and to

the prohibition to promote Licensed Financial Activities and financial products, and shall take all necessary measures and actions in this regard.

5. The Board of Directors may exempt any activities or practices, or exempt any Person, either generally or in particular, from the prohibition to carry on or promote Licensed Financial Activities.
6. A Licensed Financial Institution shall carry on its business within the scope of the license granted to such institution.
7. No Person shall present themselves as a Licensed Financial Institution if they are not.

Chapter Two

Licensing

Section One

Carrying on Licensed Financial Activities

Article (61)

Licensed Financial Activities

1. The following activities shall be considered financial activities subject to the Central Bank licensing in accordance with the provisions of this decree-law:
 - a. Taking deposits of all types, including Shari`ah-compliant deposits.
 - b. Providing credit facilities of all types.
 - c. Providing funding facilities of all types, including Shari`ah-complaint funding facilities.
 - d. Providing open finance services.
 - e. Providing currency exchange and money transfer services, including instant money transfer services.
 - f. Providing payment services using Virtual Assets.
 - g. Providing stored values services, retail payments and digital money services.
 - h. Arranging, promoting, marketing for Licensed Financial Activities.
 - i. Acting as a principal in financial products that affect the financial position of the Licensed Financial Institution, including but not limited to foreign exchange, financial derivatives, bonds and sukuk, equities, commodities, and any other financial products approved by the Central Bank.

- j. Providing insurance, reinsurance, and Insurance-Related Professions business and services, including Takaful and Re-Takaful insurance business and services.
2. The Board of Directors may:
 - a. Classify and define Licensed Financial Activities and the practices relating thereto.
 - b. Add, delete, or amend activities or practices to the list of Licensed Financial Activities referred to in item (1) of this article following consultation with the 'Financial Stability Board' in the State.
 3. In case a Licensed Financial Institution wishes to carry on activities licensed by regulatory authorities within or outside the State or in a Financial Free Zone, other than the activities referred to in item (1) of this article, such institution shall obtain approval of the Central Bank, prior to obtaining licensing from the concerned regulatory authority.

Article (62)

Carrying on Licensed Financial Activities through Emerging Technologies

Without prejudice to the Licensed Financial Activities referred to in item (1) of Article (61) of this decree-law, any Person carrying on, offering, issuing, or facilitating, whether directly or indirectly, any Licensed Financial Activity – regardless of the medium, technology, or form employed – shall be subject to the licensing, regulatory, and oversight jurisdiction of the Central Bank. This includes the following:

1. Virtual Assets payment tokens, decentralized finance (DeFi), other emerging technology, or other digital or physical instruments used in connection with the Licensed Financial Activities; and
2. Offering or operation of platforms, decentralized applications (dApps), protocols, or technological infrastructure that facilitate, intermediate, or enable the provision of financial services, such as payments, credit, deposits, money exchange, remittances, or investment services.

Section Two
Licensing of Financial Institutions

Article (63)

Application for Licensing

1. Any Person may, in accordance with regulations issued by the Board of Directors, submit to the Central Bank an application for a license to carry on one or more Licensed Financial Activities or addition of one or more Licensed Financial Activities to an issued license.
2. The Board of Directors shall issue regulations, rules, and standards, and determine conditions for granting license to carry on Licensed Financial Activities, including the following:
 - a. Fit and proper criteria.
 - b. Minimum capital requirements.
 - c. Resources required for carrying on the financial activity.
 - d. Control and monitoring systems.
3. The Central Bank may add any requirements or conditions to be fulfilled by the applicant for license, at its own discretion and as it deems appropriate for safeguarding public interest.

Article (64)

Deciding on Licensing Application or Extension of License Scope

1. Deciding on licensing application or extension thereof shall be within a period not exceeding sixty (60) working days from date of meeting all conditions and requirements for licensing. The expiry of the period without a response shall constitute an implicit rejection of the request..
2. The Central Bank may require the applicant to fulfill licensing requirements and conditions within such period as specified by the Central Bank.
3. The Central Bank may reject an application for a license or an application to add any Licensed Financial Activity based on the capacity of the financial sector in the State and the needs of the local market. Such decision issued in this regard shall be final and not subject to appeal before the Grievances and Appeals Committee.

4. The applicant shall be notified, officially, of the decision within a period not exceeding twenty (20) working days from date such decision is issued.

Article (65)

Imposing Conditions and Restrictions on a License

1. The Central Bank may impose conditions or restrictions, or otherwise change or cancel conditions or restrictions imposed on a license issued for any Licensed Financial Institution.
2. The Central Bank may, prior to issuing the decision referred to in item (1) of this article, request the concerned Licensed Financial Institution to provide its comments on the grounds of the decision, within such period as specified.
3. The Licensed Institution shall be notified, officially, of the reasoned decision within a period not exceeding twenty (20) working days from date of its issue. The notice shall include the following:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement advising the concerned institution of its right to submit a grievance against the decision, by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Article (66)

Suspension, Withdrawal, or Revocation of License

1. The Central Bank may suspend, withdraw, or revoke a license issued to a Licensed Financial Institution, in any of the following cases:
 - a. If the Licensed Financial Institution ceased to meet, or breached one or more of the conditions or restrictions imposed on the license.
 - b. If the Licensed Financial Institution breached any of the State's established laws and regulations, rules, standards, instructions, or guidelines issued by the Central Bank, including resolutions, fatwas, and guidelines set by the Higher Shari`ah Authority.

- c. If the Licensed Financial Institution failed to take any measures or actions determined or prescribed by the Central Bank.
 - d. If the Licensed Financial Institution ceased to carry on one or more of the Licensed Financial Activities, for a period exceeding one (1) year.
 - e. If it is unable to fulfill its financial obligations.
 - f. If it refrains from implementing a final court judgement related to a Licensed Financial Activity.
 - g. If the business or operations were ceased for a period exceeding one (1) year.
 - h. If the Central Bank considered, at its own discretion, that the full or partial withdrawal, revocation, or suspension of the license, is necessary for achieving its objectives and discharging its functions.
 - i. If the concerned Licensed Financial Institution submitted an application for full or partial suspension or withdrawal of the license.
 - j. If the Licensed Financial Institution's liquidity or solvency was at risk.
 - k. If the capital of the Licensed Financial Institution fell below the minimum required in accordance with the provisions of this decree-law, or the regulations, rules, or standards issued by the Central Bank or other applicable regulations.
 - l. If the Licensed Financial Institution merged with another financial institution.
 - m. If the Licensed Financial Institution was declared bankrupt.
 - n. If the Licensed Financial Institution's officers, employees, or representatives refused to cooperate with Central Bank officers, representatives, or examiners or abstained from providing required information, statements, documents, or records.
 - o. If the license of a foreign Licensed Financial Institution was revoked, or if it was put under liquidation at its domicile, or if the business of its branch, subsidiaries or representative offices in the State were wound down.
2. Should a Licensed Financial Institution decide to apply for withdrawal of a given license, such application shall be submitted in accordance with the guidelines set by the Central Bank.
 3. The Licensed Financial Institution shall be notified, officially, of the reasoned withdrawal, revocation or suspension decision within a period not exceeding twenty (20) working days from date of its issue. The notice shall include the following:

- a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement advising the Licensed Financial Institution of its right to submit a grievance against the decision, by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.
4. The decision issued by the Central Bank shall be published in two local newspapers, one in Arabic and another in English, and on the Central Bank's official website, following decision on the grievance, if presented to the Grievances and Appeals Committee, or expiry of the period specified in item (2) of this article. Such decision may also be announced by any other means if necessary.

Article (67)

Use of Term 'Bank' or 'Masraf'

1. Entities other than Banks licensed in accordance with the provisions of this decree-law shall not use, in their business addresses or advertisements, the expressions 'Bank', 'Masraf' or any other expression derived therefrom or similar thereto, in any language, and in any way, which may mislead the public as to the nature of its business.
2. The following entities shall be not be subject to the provisions of item (1) of this article:
 - a. Foreign monetary authorities and central banks.
 - b. Any federation or association established for protection of Banks' interests.
 - c. Any other institution exempted by the Central Bank.

Article (68)

Entry to the Register and Licensing Fees

1. An electronic register named 'Register of Licensed Financial Institutions' shall be created at the Central Bank, to which names of Licensed Financial Institutions and their related data and any amendments thereto, shall be entered. A decision setting the rules and conditions for entry to such register shall be issued by the Board of Directors. Decision to license such institutions and any amendments thereto, shall be published in the Official Gazette. This register shall be published on the Central Bank's official website.

2. A Licensed Financial Institution shall not commence any Licensed Financial Activity except after its name was entered to the register.
3. Proceeds of fees pertaining to entry to the register, referred to in item (1) of this article, and licensing fees shall be deposited in a special account with the Central Bank. A decision shall be issued by the Board of Directors organizing operation of such account, and setting rules for disbursement thereof.

Article (69)

Legal Form

1. Banks and (Re)Insurance Companies shall take the form of public joint-stock companies, with incorporating law or decree so permits. Branches of foreign Banks, specialized Banks, and branches of foreign (Re)Insurance Companies operating in the State shall be exempted from this provision, in accordance with the rules and conditions set by the Board of Directors.
2. Other Financial Institutions may take the form of joint-stock companies or limited liability companies, in accordance with the rules and conditions set by the Board of Directors.

Article (70)

Minimum Capital Requirements

The Board of Directors shall establish regulations on the minimum capital requirement for Licensed Financial Institutions, and conditions and instances of increase or decrease of capital, and shall determine risk-based capital requirements, necessary procedures in the event of capital shortfall, and measures to be taken by the Central Bank in this regard.

Article (71)

Shareholding and Ownership in Licensed Financial Institutions

1. Without prejudice to the financial and commercial activities restricted to UAE nationals prescribed in any other law, the Board of Directors shall determine the conditions and controls for shareholding and ownership in capital of Banks incorporated in the State, and in all cases the national shareholding shall not be less than sixty percent (60%).

2. The Board of Directors shall determine the conditions and controls for shareholding and ownership in capital of (Re)Insurance Companies and Other Financial Institutions incorporated in the State by nationals and foreigners.

Article (72)

Representative Offices

1. No Licensed Financial Institutions established outside the State or in a Financial Free Zone is allowed to conduct the business of a representative office within the State without being licensed by the Central Bank.
2. The Central Bank shall determine conditions for granting a license of a representative office and rules of its operations.

Article (73)

Amendment of the Memorandum and Articles of Association

1. Licensed Financial Institutions shall seek prior approval from the Central Bank for amendments they wish to incorporate to their memorandum or articles of association.
2. The Central Bank shall decide on the request referred to in item (1) of this article within a period of fifteen (15) working days from the date of its submission. Should the Central Bank decided to reject the request to enter the amendments, and the applicant objects to that, the matter shall be presented to the Board of Directors whose decision in that respect shall be final.

Section Three

Provisions for Islamic Financial Institutions

Article (74)

Scope of Activity of Islamic Financial Institutions

1. Islamic Financial Institutions may carry on the Licensed Financial Activities referred to in Article (61) of this decree-law in accordance with the rules and principles of the Islamic Shari`ah, whether for their account or for the account of, or in partnership with third parties.

2. The Board of Directors shall issue regulations specifying the license or approval required, activities, conditions, rules, and operating standards for these institutions, in a manner commensurable with the nature of the license granted to them.
3. The provisions of this decree-law and the regulations, standards, notices and resolutions issued thereunder shall apply to Islamic Financial Institutions, in so far as they do not contradict the nature of their Shari`ah-compliant Activities and Business, and they shall not engage in any activities or business in such a manner that violates the rules and principles of the Islamic Shari`ah, as determined by the Higher Shari`ah Authority.
4. Islamic Financial Institutions are deemed compliant with the rules and principles of Islamic Shari`ah if they comply with the resolutions, regulations, standards issued by the Higher Shari`ah Authority.
5. Islamic Financial Institutions shall, in respect of their activities and business initiated as part of financing activities for their customers and not for their own account, be exempted from:
 - a. Provisions of items (1) and (2) of Article (118) of this decree-law, insofar as such exemption does not contradict the provisions of legislations applicable in the relevant Union member emirate.
 - b. Any registration requirements, fees or similar costs for any asset purchased or sold either in whole or in part, leased, rented, manufactured or otherwise so long as such activities and business are part of the financing activities or sukuk issuance of any Islamic Financial Institution.
6. The exemption, referred to in paragraph (b) of item (5) of this article, excludes any assets purchased, sold, leased, manufactured, or otherwise acquired for the Islamic Financial Institution's own account.

Article (75)

Internal Shari`ah Supervision

1. An independent committee named 'Internal Shari`ah Supervision Committee' shall be established within each Islamic Financial Institution. Such committee shall consist of experienced specialists and those with capability to issue fatwas in jurisprudence of

Islamic financial transactions, including Islamic banking or Takaful insurance, as the case maybe.

2. The said committee shall undertake Shari`ah supervision of all business, activities, products, services, contracts, documents, business conduct charters and codes of ethics of the concerned institution and shall approve them and establish necessary Shari`ah controls, within the framework of the rules, principles and standards set by the Higher Shari`ah Authority, and in order to ensure compliance with the rules and principles of Islamic Shari`ah. Fatwas or resolutions issued by such a committee shall be binding, provided that they are consistent with and do not conflict with the resolutions and fatwas of the Higher Shari`ah Authority, in accordance with the provisions of item (8) of Article (24) of this decree-law.
3. The Central Bank, after consultation with the Higher Shari`ah Authority, may exempt any Islamic Financial Institution from establishing and appointing an Internal Shari`ah Supervisory Committee due to its size and the nature of its work, which may not require the establishment of such a committee, after ensuring that there are equivalent procedures that ensure compliance of this institution with the rules and principles of Islamic Shari`ah provisions – provided that the concerned institution is not a Bank, finance company, or Takaful Insurance company, and that its capital does not exceed the limits established by the Central bank from time to time.
4. The Internal Shari`ah Supervision Committee shall be appointed and dismissed by the general assembly of the Islamic Financial Institution, in accordance with the controls and standards issued by the Higher Shari`ah Authority. Names of members of the committee shall be submitted to the Higher Shari`ah Authority for approval, prior to presentation to the general assembly and issuance of decision approving their appointment or dismissal. The dissolution of this committee shall also be presented to the Higher Shari`ah Authority, before being presented to its general assembly.
5. Members of the Internal Shari`ah Supervision Committee are prohibited from holding any executive position in the institution referred to in item (1) of this article, or provide services to it outside of the Internal Shari`ah Supervision Committee's scope of work, nor hold shares or have for themselves or for any of their relatives up to the second degree, any interests associated with it.

6. In cases where disagreement arises, over a Shari`ah opinion, between members of the Internal Shari`ah Supervision Committee, or disagreement between the Internal Shari`ah Committee and the board of directors of the concerned institution, over the compliance or non-compliance of a particular matter with the rules and principles of the Islamic Shari`ah, the disagreement shall be referred to the Higher Shari`ah Authority, whose opinion on the matter shall be binding and final.
7. Each Islamic Financial Institution shall establish two (2) independent divisions or sections for 'internal Shari`ah control' and 'internal Shari`ah audit', the size of which shall be commensurate with the nature of its business and activities to monitor and audit the concerned institution's compliance with the rules and principles of the Islamic Shari`ah. Each division or section shall be headed by a competent Person appointed, dismissed, or have his resignation accepted by the board of directors of the concerned institution after obtaining the approval from the Internal Shari`ah Supervisory Committee and the Higher Shari`ah Authority.

Article (76)

Report of the Internal Shari`ah Supervision Committee

1. The Internal Shari`ah Supervisory Committee shall prepare an annual Shari`ah report to be presented to the general assembly of the Islamic Financial Institution. The report shall be prepared in accordance with the template specified by the Higher Shari`ah Authority, and shall indicate the extent the management of such an institution is in compliance with the rules and principles of Islamic Shari`ah, in all activities and business it conducts, the products it offers, contracts it enters into, and the documentation it uses. It also includes all regulations, policies, procedures, accounting standards, technical and automated systems, electronic and digital applications, work charters, and codes of ethics that it implements.
2. The report referred to in item (1) of this article shall include the following:
 - a. A statement on the extent of independence of the Internal Shari`ah Supervisory Committee when discharging its mandates.
 - b. A statement on the extent of compliance of the concerned institution with the rules and principles of the Islamic Shari`ah during the financial year ending in regards to

- policies and regulations, accounting standards, financial products and services, operations and activities in general, together with the memorandum, articles of association, and financial statements of the concerned institution.
- c. The extent to which the distribution of profits, bearing of losses, costs, and expenses among shareholders and investment account holders, are in compliance with the rules and principles of the Islamic Shari`ah.
 - d. A statement on the breaches of Islamic Shari`ah rules and principles and confirmation that corrective measures, if any, have been undertaken by the concerned institution.
 - e. A statement of the extent of the concerned institution's compliance with the resolutions and fatwas of the Higher Shari`ah Authority and the Internal Shari`ah Supervisory Committee.
3. The Internal Shari`ah Supervisory Committee's report shall be submitted to the Higher Shari`ah Authority for approval before being presented to the concerned institution general assembly.

Article (77)

Contravention of Islamic Shari`ah Provisions

Where it is established that an Islamic Financial Institution, has conducted business that contravene the rules and principles of Islamic Shari`ah, as per the Higher Shari`ah Authority rulings, resolutions and standards, the concerned institution shall be subject to actions and sanctions determined by the Central Bank after consultation with the Higher Shari`ah Authority.

Section Four

Provisions for Insurance Companies and Related Professions

Article (78)

Types of Insurance

1. Insurance business and services shall be divided into the following two types:
 - a. Insurance of Persons and fund accumulation operations; and
 - b. Property and liability insurance.

2. The resolutions, regulations and instructions issued by the Board of Directors shall determine the insurance business and services that fall under each insurance type.
3. The purpose of the operations of Insurance Companies shall be to conduct insurance business. Insurance Companies shall not engage in any commercial activities other than insurance business, unless approved by the Central Bank.
4. The provisions of this Section shall be applicable to Reinsurance Companies to the extent commensurate to their nature, as determined by the Central Bank.

Article (79)

Compulsory Insurance

The Board of Directors may impose compulsory insurance against some risks pursuant to regulations whereby the controls and conditions of such insurance and other provisions related thereto are identified.

Article (80)

Prohibition to Combine Insurance Operations

1. It is prohibited for Insurance Companies to combine insurance of Persons and fund accumulation operations and property and liability insurance operations.
2. Insurance Companies licensed to carry on the two types of insurance referred to in item (1) of this article prior to the issuance of this decree-law shall remain operational.
3. Companies referred to in item (2) of this article shall comply with the following controls:
 - a. Complete separation between Persons and funds accumulation insurance operations and property and liability insurance operations in terms of technical, financial, technological, administrative and legal procedures as well as relevant technical, administrative and financial systems and staff, except for the chief executive officer or general manager of the concerned company; and
 - b. Prepare all financial reports and statements required by virtue of this decree-law and the Board of Directors' instructions and resolutions on a consolidated basis, and on the basis of the separation between Persons and funds accumulation insurance operations and property and liability insurance operations.

4. Notwithstanding the provisions of item (2) of this article, the Board of Director may issue a resolution obligating Insurance Companies to adjust their situations pursuant to the provisions of item (1) of this article, or may issue a resolution that such Companies remain carrying on the two types of insurance while being prohibited from issuing new Insurance Policies that combine property and liability insurance operations with Persons and funds accumulation insurance operations, in accordance with the controls and requirements set by the Central Bank in this regard.

Article (81)

Prohibitions on Authorized Individuals

1. It is prohibited for an Insurance Company's chairman, board members, and Authorized Individuals or any Person acting on their behalf to:
 - a. Engage in managing other competing Insurance Company or any company that carries on the same or similar insurance business;
 - b. Compete with the Insurance Company's business or carrying on any action or activity that conflicts with such a company's interest;
 - c. Practice as an Insurance Agent or an Insurance Broker; or
 - d. Receive a commission for any insurance business.
2. It is prohibited for any Person who assumes the management of an Insurance Company or any employee thereof to be a representative of any shareholder of such a company.

Article (82)

Insurance with a Company Outside the State or in a Financial Free Zone

1. Insurance or insurance brokerage of properties existing in the State or liabilities arising therefrom may only be carried on by Insurance Companies licensed in accordance with the provisions of this decree-law.
2. An Insurance Company may reinsure with another reinsurance company inside or outside the State, or in a Financial Free Zone.
3. No Person may conclude an Insurance Policy with a foreign insurance company outside the State or in a Financial Free Zone to cover any funds or property within the State or liabilities arising therein. Furthermore, no juridical person in the State may insure its

personnel in the State with Insurance Companies outside the State or in a Financial Free Zone.

4. Exception to the provisions of item (3) of this article, insurance may be made with an insurance company outside the State or in a Financial Free Zone in case the required insurance coverage is not available in the State, or in case Insurance Companies abstain from, or unable to provide such coverage, or for any other reasons decided by the Central Bank. The Board of Directors may issue regulations to set controls and conditions in this regard.

Article (83)

Insurance Policy

1. Insurance Companies shall provide the Central Bank with forms of Insurance Policies and related annexes, including general and special terms and conditions, technical grounds of such policies and Premium rates annexed thereto; and shall provide the Central Bank with schedules of redemption values of Insurance Policies of Persons and funds accumulation operations and Premium rates annexed thereto.
2. Should the public interest require or in case of imperfection that may compromise the interests of Insured and Beneficiaries, the Central Bank may request Insurance Companies to introduce an amendment to the forms of their Insurance Policies and related annexes, within the period determined the Central Bank for such purpose.
3. Insurance Companies shall provide the Insured and Beneficiaries with copies of Insurance Policies and related annexes after any amendment is introduced, within the period determined by the Central Bank.
4. The Insurance Company shall pay the compensation set out in the Insurance Policy to the Insured or to the Beneficiary, as the case may be, as soon as the incident occurs or insured risk materializes. Following which, the Insurance Company shall subrogate the Insured for the indemnity it paid for damage in lawsuits of the Insured vis-à-vis the party causing the damage for which the Insurance Company's liability has arisen.

Article (84)

Resignation of Authorized Individuals and Vacancy of their Positions

1. Should the chairman and board members of an Insurance Company submit their resignations or should the vacant positions reach one-quarter (1/4) of the company's board members, the Governor shall:
 - a. Form an interim committee comprising experienced and specialized individuals and appoint a chairman and vice-chairman among its members to assume the management of the concerned company; and
 - b. Call for a general assembly meeting within a period not exceeding three (3) months following date of forming the committee, referred to in paragraph (a) of this item, renewable for a similar period only once, in order to elect a new board of directors of the concerned company. Such a company shall bear the committee's remunerations, as determined by the Governor.
2. The Insurance Company shall notify the Central Bank in case the position of any of its board members or other Authorized Individuals becomes vacant. The Insurance Company or its board of directors, as the case may be, shall fill the vacant position within a period not exceeding thirty (30) days from the date of being vacant, after obtaining the approval of the Central Bank.

Article (85)

Publication of the Call to the General Assembly Meeting

1. An Insurance Company shall not publish an invitation to hold general assembly meeting in daily newspapers unless approved by the Central Bank. The concerned company shall not include any additional items on the general assembly meeting's agenda unless approved by the Central Bank.
2. Subject to the provisions of item (1) of this article, an Insurance Company listed on financial markets shall not publish an invitation to the general assembly meeting in daily newspapers unless approved by the Regulatory Authorities in the State.
3. Insurance Companies' board of directors shall invite the Central Bank to attend their general assembly meeting before at least fifteen (15) days from date of its convention. The Central Bank may assign one of its employees to represent it for such purpose.

Article (86)

Technical Provisions and Solvency Margin Requirements

Insurance Companies shall comply with Technical Provisions, Solvency Margin requirements, and any reserves as determined by the Central Bank to be maintained in the State, in accordance with the directions issued by the Board of Directors in this regard.

Article (87)

Appointment of Actuary

An Insurance Company shall appoint or approve an Actuary within one (1) month from date the license is granted, and shall so notify the Central Bank within one (1) month from the date of appointment or approval of the Actuary.

Article (88)

Insurance Pool

Insurance Companies may together establish one Insurance Pool or more, which include collective arrangements among several (Re)Insurance Companies, for the purpose of underwriting specific risks by contributing Premiums to a common fund that can be used to cover losses incurred by any Insured, and in order to provide insurance coverage of any type of insurance or any specific operation for the benefit of the pool, pursuant to the articles of association of each pool, and subject to the approval of the Central Bank.

Article (89)

Insurance of Vehicles

An Insurance Company shall conclude Insurance Policy for all motor vehicles licensed in the State when so requested by concerned parties. The Board of Directors may set the insurance rates as commensurate with the severity of risks.

Article (90)

Provision of Data and Information

1. Insurance Companies and Insurance-Related Professions shall provide any data or information requested by the Central Bank concerning them or about any company has an ownership or subsidiary relationship therewith in any manner whatsoever, within the timeframe set by the Central Bank.
2. The Central Bank may assign one or more of its employees to verify or audit the transactions, records or documents of Insurance Companies or Insurance-Related Professions, within normal business hours. The concerned party shall put any of the aforesaid at the disposal of the so assigned employee and shall cooperate with him to enable him to fully perform his duties.
3. The Central Bank may, based on the audit result, assign experts, consultants, Actuaries or auditors to audit Insurance Companies' or Insurance-Related Professions' business, assess their positions and submit a report thereon. Insurance Companies shall cooperate with them in a manner that enables them to fully perform their duties, provided that the concerned Insurance companies or Insurance-Related Professions shall bear their remuneration, as determined by the Central Bank.
4. It is prohibited for expert, consultant, Actuary or auditor to disclose to any third-party whatsoever data or information received under item (3) of this article without obtaining the Central Bank's approval, except for the disclosure that is based on a court order.

Article (91)

Disclosure and Transparency

Insurance Companies and Insurance-Related Professions shall comply with the principles of disclosure and transparency while dealing with the Insured and Beneficiaries and in all policies, documents, leaflets, advertisements, publicity, articles and scientific materials issued by them, which are regulated by a Board of Directors resolution.

Article (92)

Guarantee Deposits with the Central Bank

1. (Re)Insurance Companies shall make a cash deposit at the Central Bank, as a guarantee for meeting their obligations referred to in this decree-law. The value of the cash deposit shall be determined in accordance with the controls and requirements determined by the Board of Directors in this regard, from time to time.
2. Guarantee deposits referred to in item (1) of this article shall only be disposed for the payment of debts arising from insurance business carried out by (Re) Insurance Companies, provided that written permission is obtained from the Governor or his authorized representative.
3. The Central Bank may dispose of guarantee deposits referred to in item (1) of this article to satisfy its dues without requiring a warning or a court judgment.
4. If the value of the guarantee deposit referred to in item (1) of this article diminishes below the prescribed limit if it is disposed of, the (Re)Insurance Company, as the case may be, shall replenish the amounts of deposit within a period not exceeding thirty (30) days from the date of the Central Bank's request to replenish the amount of deposits.

Article (93)

Mathematical Reserve

An Insurance Company that carries on Insurance of Persons and fund accumulation operations shall maintain funds, in the State, whose value is at least equivalent to the full amount of the mathematical reserve of contracts concluded in the State or implemented therein. The Board of Directors may amend, from time to time, the percentage applied to the mathematical reserve to be maintained by the Insurance Company.

Such funds shall be completely separated from the funds of other insurance operations. When calculating the aforementioned reserve, the deposit referred to in item (1) of Article (92) of this decree-law shall be taken into account, so that whichever value is greater shall be applicable.

Article (94)

Reinsurance Controls

Insurance Companies shall not reinsure with another Insurance Company unless the other Insurance Company is licensed to carry on the insurance type entrusted to reinsure it, in accordance with the regulations issued by the Board of Directors.

Article (95)

Bank Guarantee of Foreign Insurance Companies' Branches

1. Branches of foreign Insurance Companies shall be obligated to submit an unconditional and irrevocable bank guarantee in favor of the Central Bank, in an amount determined by the Board of Directors, from time to time, in the event of engaging in (re)insurance business and services.
2. The Central Bank may take into consideration the bank guarantee referred to in item (1) of this article among the acceptable assets for the purpose of calculating solvency requirements.

Article (96)

Prohibition of Insurance Policies Differentiation

Insurance Companies engaged in insurance business for Persons and fund accumulation operations shall not differentiate between Insurance Policies issued of the same type; in terms of insurance rates, the proportion of profits distributed to Insured, or other requirements, unless such differentiation arises from life expectancy variations for policies where the lifetime has an effect, except for:

1. Reinsurance policies;
2. Insurance Policies of amounts that enjoy certain discounts according to the price lists communicated to the Central Bank; and
3. Insurance Policies that include special conditions on the life of members of a single family or a group of individuals related by a single profession or job or any other social relationship.

Article (97)

Assessment of Value of Liabilities

1. Insurance Companies that carry on the insurance of Persons and fund accumulation operations shall examine the financial position of this type of insurance and assess the value of its outstanding obligations on a quarterly basis by an Actuary, as of the commencement date of their business.
2. Such an assessment shall cover all insurance operations concluded by the concerned company inside and outside the State, separately. If the activity is carried on by a branch of a foreign Insurance Company, the assessment shall be limited to the operations whose contracts were concluded in the State, or which are concluded therein.
3. The assessment referred to in item (1) of this article shall be conducted whenever the Insurance Company wishes to examine its financial position to determine the percentages of profits to be distributed to shareholders or Insured, or whenever it wishes to announce such financial position.

Article (98)

Actuary Report

1. The regulations issued by the Board of Directors, pursuant to this decree-law, shall set the data required to be included in the 'Actuary Report' on the result of the assessment and examination referred to in Article (97) of this decree-law.
2. An Insurance Company shall send to the Central Bank a copy of the Actuary Report on the result of the examination and assessment referred to in Article (97) of this decree-law, within three (3) months from the conclusion of the examination, accompanied by the following:
 - a. A statement of valid Insurance Policies concluded by the concerned company inside or outside the State on the date of conducting the examination. If the activity is carried on by a branch of a foreign Insurance Company, the statement shall be limited to policies concluded in the State, or which are executed therein.
 - b. A declaration by Persons in charge of the concerned company's management that all data and information necessary to produce a correct report have been made available to the Actuary.

3. Following the expiry of the three-month (3) period, referred to in item (2) of this article, an additional period may be granted to the concerned company to submit the Actuary report, provided that this period does not exceed forty-five (45) days.
4. If it becomes clear to the Central Bank that the Actuary Report does not reflect the true financial position of the Insurance Company, the Central Bank may request a reexamination at the Insurance Company's expense by an Actuary designated by the Central Bank for this purpose.

Article (99)

Distributable Funds and Dividends

1. Insurance Companies that engage in the insurance of Persons and fund accumulation operations shall not deduct, whether directly or indirectly, any part of their funds corresponding to their obligations arising from Insurance Policies to distribute it as dividends to shareholders or Insured, or to pay any amount beyond their obligations under the Insurance Policies it issued. The distribution of dividends shall be limited to the amount of funds in excess, as determined by the Actuary in their report, after conducting the examination referred to in Article (98) of this decree-law, as approved by the Central Bank.
2. For the purpose of applying the provisions of this article, Insurance Company's funds inside and outside the State may be considered as an integral unit, without prejudice to the provisions of Article (86) of this decree-law.

Article (100)

Assessment of Insurance Policy Value

In the event of bankruptcy or liquidation of an Insurance Company engaged in the insurance of Persons or fund accumulation operations, the amounts due to each of Insured not yet expired shall be assessed to equate the mathematical reserve thereto on the day the bankruptcy verdict or the liquidation decision is issued, calculated in accordance with the technical rules of the Premiums at the time of concluding such policy.

Article (101)

Transfer of Insurance Policies to Another Insurance Company

An Insurance Company may transfer Insurance Policies it has concluded in the State, including the rights and obligations related to any type of insurance it carried on to other Insurance Company(ies) that carry on the same type of insurance.

Article (102)

Insurance Transfer Application

1. Insurance transfer application shall be submitted to the Central Bank, accompanied by documents related to the transfer agreement. The transfer application shall be published in two local daily newspapers, one of which is published in Arabic, at the expense of the transfer applicant, or as per the mechanism determined by the Central Bank. Such an announcement shall refer to the right of Insured, Beneficiaries or any interested party to file any objection to the Central Bank to such transfer, within ten (10) business days from the date of the announcement, provided that the subject of their objection and the grounds thereof are determined.
2. The Central Bank shall approve the transfer of an Insurance Policy if no interested party objects thereto within the period referred to in item (1) of this article, and if the Central Bank concludes that such a transfer shall not have a negative impact on the financial situation of both the transferee and the transferor and that the interests of the Insured of both the transferee and transferor will be protected. The decision shall be published in the Official Gazette within one month from the date of its issuance, and it may be invoked vis-à-vis the Insured, the Beneficiaries and the Insurance Company's creditors, and the assets shall be transferred to the Insurance Company to which the policies have been transferred, subject to the provisions relating to the transfer of ownership and assignment of assets; and provided that the transferred assets are exempted from the registration fees under the provisions relating to the transfer of ownership and assignment of assets.
3. If an objection is submitted within the period referred to in item (1) of this article, the transfer application shall be decided on only after an agreement is reached between the interested parties or a final resolution is rendered on such objection. Nevertheless, the Central Bank may issue a decision approving the transfer, provided that a guarantee is

submitted by the Insurance Company to the Central Bank equivalent to its obligations vis-à-vis the objector, including the expenses that may be incurred for retaining any of the Insurance Company's assets.

Article (103)

Funds Free-up in case of Ceasing Insurance Business

Without prejudice to the provisions of Article (126) of this decree-law, should an Insurance Company wish to free up its funds that are required to be maintained in the State for one or more types of insurance, it shall then provide proof of fulfillment of its obligations for all Insurance Policies concluded within the State or executed therein, with respect to this type or types of insurance for which it has decided to cease its business.

Article (104)

Takaful Insurance Business

Takaful Insurance Companies, Re-Takaful Insurance Companies and Insurance Companies that carries on Takaful Insurance business shall engage in Takaful Insurance business in such a manner that does not violate the rules and principles of the Islamic Shari`ah, and as per the business models determined by the Higher Shari`ah Authority, which shall be reflected in their memorandum and articles of association.

Article (105)

Takaful Insurance Fund

1. Takaful Insurance Company, Insurance Company, or Reinsurance Company that carries on Takaful Insurance business shall establish a fund that has an independent legal personality and financial liability distinct from it. This fund referred to as 'Takaful Insurance Fund' shall be registered with the Central Bank and falls under its supervision.
2. Contributions (Premiums) which are based on the concept of 'Tabaru', as per the Higher Shari`ah Authority's standards, shall be deposited in the Takaful Insurance Fund which is liable for any compensation or benefits under the provisions of Takaful Insurance Policies.

3. The companies referred to in item (1) of this article shall set articles of association for the Takaful Insurance Fund as per Central Bank and the Higher Shari`ah Authority standards. Such articles of association shall be separate from the Insurance Company's articles of association.
4. The Takaful Insurance Fund shall have an independent financial position that is disclosed in the concerned company's financial statements.
5. The Board of Directors shall issue the controls and procedures related to the establishment and the operations of the Takaful Insurance Fund.

Article (106)

Emirates Insurance Federation

1. Pursuant to the provisions of this decree-law, a professional union shall be established called 'Emirates Insurance Federation', which shall have the juridical personality and legal capacity necessary to carry on all actions and dispositions that ensure achievement of its objectives. The Central Bank shall approve articles of association of the federation, which define its functions, responsibilities and relationship with the Central Bank.
2. All Insurance Companies, Reinsurance Companies, and Insurance-Related Professions shall become members of the Emirates Insurance Federation, in accordance with the controls and procedures to be determined by a resolution of the Board of Directors. Such federation shall establish committees for various insurance business and services practiced by the members.

Section Five

Provisions Relating to Undertaking Designated Functions Subject to Central Bank Authorization

Article (107)

Designated Functions

1. The Board of Directors may issue regulations, rules, standards, conditions, and instructions, specifying Designated Functions subject to Central Bank authorization and the individuals who shall be required to obtain Central Bank authorization to undertake

them, including fit and proper conditions, and cases of exemption of such conditions and standards.

2. Without prejudice to the provisions of item (1) of this article, Designated Functions subject to Central Bank authorization include those carried on by members of the boards of directors of Licensed Financial Institutions, and their chief executive officers, and other Authorized Individuals.
3. No individual shall undertake any Designated Functions at a Licensed Financial Institution, without obtaining Central Bank's prior authorization.
4. Licensed Financial Institutions shall take all measures and actions, which ensure that no officer, employee, or any other individual representing them, shall undertake any of the Designated Functions without obtaining prior authorization from the Central Bank.
5. Any Authorized Individual in accordance with the provisions of this article shall abide with limits of powers stated in the authorization.
6. No individual shall present himself as an Authorized Individual unless he is authorized by the Central Bank.

Article (108)

Application for Authorization to Undertake Designated Functions

1. A Licensed Financial Institution shall submit an application to the Central Bank for authorization of any individual to undertake any of the Designated Functions or to undertake additional Designated Functions.
2. The Central Bank may require the applicant to provide all information necessary for enabling it to decide on the application.
3. A Licensed Financial Institution shall notify the Central Bank of any material changes relating to the conditions for granting authorization to undertake the Designated Functions.

Article (109)

Deciding on Application for Authorization to Undertake or Add other Designated Functions

1. Deciding on application for authorization or extension thereof shall be within a period not exceeding twenty (20) working days from date of meeting all conditions and requirements for authorization. The lapse of this period without decision on the application shall be considered an implicit rejection thereof.
2. The Central Bank may reject an application for authorization or addition of other Designated Functions to an Authorized Individual if it considered that such rejection would serve public interest.
3. The applicant shall be notified, officially, of the rejection decision within a period not exceeding twenty (20) working days from date of its issue. The notice shall include the following:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. A statement advising the applicant of his right to submit a grievance against the rejection decision by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Article (110)

Imposing Conditions and Restrictions to an Authorization to Undertake Designated Functions

1. The Central Bank may decide to add conditions or restrictions to an authorization to undertake Designated Functions.
2. The Central Bank may, before issuing the decision referred to in item (1) of this article, request the concerned Licensed Financial Institution to provide its comments on the grounds of the decision, within such period as it specifies.
3. The concerned Licensed Financial Institution shall be notified, officially, of the decision within a period not exceeding twenty (20) working days from date of its issue. Such notice shall include the following:

- a. Content of the decision.
- b. Reasons for the decision.
- c. Effective date of the decision.
- d. A statement advising the Licensed Financial Institution of its right to submit a grievance against the decision by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Article (111)

Suspension, Withdrawal, or Revocation of Authorization to Undertake Designated Functions

1. The Central Bank may suspend, withdraw, or revoke the authorization issued to an Authorized Individual undertaking Designated Functions, by an official notice, in the following cases:
 - a. If the Authorized Individual ceased to meet, or breached one or more of the fit and proper criteria and other conditions, or restrictions imposed on the authorization to undertake Designated Functions.
 - b. If the Authorized Individual violated any of the State's established laws and regulations or the regulations, rules, standards, or guidelines issued by the Central Bank, including resolutions and guidelines set by the Higher Shari`ah Authority.
 - c. If the Authorized Individual failed to take any measures or actions prescribed by the Central Bank.
 - d. If the Central Bank considered, that full or partial withdrawal, revocation, or suspension of the authorization, was necessary for achieving its objectives and discharging its functions.
 - e. If the Authorized Individual was declared bankrupt.
 - f. If the Authorized Individual refused to cooperate with the officials, representatives, or examiners of the Central Bank, or failed to submit required information or records.
2. In all cases, the authorization shall be revoked in case a cancellation application was submitted by the Licensed Financial Institution where the Authorized Individual works or in case of termination of his relationship with such institution.

3. The Licensed Financial Institution, where the Authorized Individual works shall be notified of the decision to withdraw, revoke, or suspend the authorization, within a period not exceeding twenty (20) working days from date of its issue. Such notice shall include the following:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement advising the concerned Licensed Financial Institution and the Authorized Individual of their right to submit a grievance against the decision, by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Article (112)

Prohibition of Undertaking Designated Functions at Licensed Financial Institutions

1. The Central Bank may prohibit any individual from working, or undertaking Designated Functions related to Licensed Financial Activities if it considered that the concerned individual was not fit and proper to work or undertake such Designated Functions.
2. The concerned Licensed Financial Institution shall be notified, officially, of the decision to prohibit the concerned individual from working or undertaking Designated Functions at it, within a period not exceeding twenty (20) working days from date of its issue. Such notice shall include the following:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement advising the Licensed Financial Institution and the concerned individual of their right to submit a grievance against the decision, by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Chapter Three

Responsibilities of Licensed Financial Institutions

Article (113)

Guarantee Deposits of Other Financial Institutions with the Central Bank

All Other Financial Institutions are obligated to maintain guarantees, in the form of cash deposits, with the Central Bank as a guarantee for fulfilling their obligations referred to in this decree-law, in accordance with the nature of their business and activities and as determined by the Board of Directors from time to time.

Article (114)

Compliance with Central Bank's Instructions

1. Licensed Financial Institutions shall comply with all regulations, rules, standards, circulars, directives, and instructions issued by the Central Bank with regard to lending or other matters it deems necessary for achieving its objectives.
2. The Central Bank may take all necessary measures and actions, and use means, which would ensure proper conduct of business at Licensed Financial Institutions. Such instructions, directives, measures, procedures, or means, may either be general for all Licensed Financial Institutions, or to specific Licensed Financial Institutions.

Article (115)

Central Bank Risk Bureau

The 'Risk Bureau' at the Central Bank shall undertake compilation, exchange and processing of credit information from Licensed Financial Institutions or any party the Central Bank deems necessary in the State. The said bureau shall operate within the conditions and controls determined by the Board of Directors.

Article (116)

Transactions with Related Parties

1. Each deposit-taking Licensed Financial Institution shall prepare a quarterly statement, in the form specified by the Central Bank, indicating all credit and funding facilities granted by such institution to:
 - a. Any member of its board of directors.
 - b. Any establishment or company where the concerned institution is a partner, manager, agent, guarantor or sponsor.
 - c. Any company where a member of the board of directors of the concerned institution is a manager or agent to this company.
 - d. Any company where an employee, expert or representative of the concerned institution is a manager, executive officer, agent, guarantor, or sponsor to such company.
 - e. Any Person holding controlling interest in the capital of the concerned institution, or a related company, as per the provisions of Article (120) of this decree-law.
 - f. Any subsidiary of the group, which owns the concerned institution.
 - g. Any company related to the concerned institution, as per the controls set by the Board of Directors.
 - h. Any Person, directly or indirectly related to any member of the board of directors of concerned institution, as per the controls set by the Board of Directors.
 - i. Any other Person specified by the Board of Directors as per the controls it sets in this regard.
2. The Central Bank shall be provided with copy of the statement referred to in item (1) of this article, within a period of ten (10) working days from end of each quarter of the financial year, or from the date of a request made by the Central Bank.
3. The Central Bank may take one or more of the actions listed hereunder, if it decided, following review of the statement referred to in item (1) of this article, that any of the credit or funding facilities extended by the Licensed Financial Institution or any exposure to a particular Person may result in damage to the interests of depositors of the concerned institution:

- a. Require the concerned institution to allocate provisions for these facilities, or reduce its exposure to a particular Person, within such period and as per such mechanism as it determines.
- b. Prohibit the concerned institution from extending further credit facilities to the concerned Person, or impose specific restrictions on facilities extended to this Person, as it deems appropriate.

Chapter Four

Prohibitions

Article (117)

Prohibition of Conducting Specific Operations

1. The Central Bank may prohibit Licensed Financial Institutions from conducting all or some of the following:
 - a. Dealing in specific assets, investments, or monetary and financial instruments.
 - b. Closing deals or conduct specific operations or commercial transactions.
 - c. Dealing with specific Persons.
2. The Board of Directors may issue rules, regulations and standards relating to the operations referred to in item (1) of this article, and take necessary measures and actions it deems appropriate.
3. The concerned Licensed Financial Institution shall be notified, officially, of Central Bank's decision within a period not exceeding twenty (20) working days from date of its issue. The notice shall include the following information:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement notifying the Licensed Financial Institution of its right to submit a grievance against the decision, by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Article (118)

Prohibition on activities of Deposit-Taking Licensed Financial Institutions

Deposit-taking Licensed Financial Institutions shall not carry on any of the following activities:

1. Carry on, for its account, commercial or industrial business or acquire, own or trade in goods, unless the acquisition of such goods was in settlement of debts due from third parties, in which case the goods shall be disposed of within the period specified by the Central Bank.
2. Purchase real estate for its own account, except in the following cases:
 - a. Real estate that its value does not exceed the ratio set by the Central Bank relative to its total capital and reserves.
 - b. Real estate owned in direct settlement of debt exceeding the ratio mentioned in paragraph (a) of this item and in such a case the sale of these properties within three (3) years, and this may be extended by an approval from the Central Bank based on the guidelines set by the Board of Directors.
3. Purchase or acquire or deal in shares of the concerned institution, in excess of the ratios set by the Board of Directors, unless the excess has devolved to it in settlement of a debt, in which case the concerned institution shall sell the shares in excess of the said ratio, within a period of two (2) years from date of acquisition.
4. Purchase shares of commercial companies, except within the ratio of the concerned institution's own funds, as set by the Board of Directors, unless acquired in settlement of a debt, in which case the excess shall be sold within two (2) years from date of acquisition.

Article (119)

Restrictions on Provision of Credit Facilities

1. Licensed Financial Institutions may extend credit facilities to members of their boards of directors, their employees, or relatives of such Persons as determined by the Board of Directors.
2. The Board of Directors shall determine conditions and controls for credit facilities, which may be granted to the categories referred to in item (1) of this article.
3. A Licensed Financial Institution shall not take its own shares as collateral when providing credit facilities to its customers.

4. The Board of Directors shall issue regulations, to Licensed Financial Institutions, regarding the limits for credit facilities extended for the purpose of real estate, including construction of properties for residential or commercial purposes.

Chapter Five

Supervision and Oversight of Licensed Financial Institutions

Section One

Provisions relating to Supervision and Oversight

Article (120)

Provisions Relating to Holders of Controlling Interests

1. A Person shall not, whether solely or jointly with related parties, hold controlling interest, or increase controlling interest in any Licensed Financial Institution, nor exercise powers, which render him a de facto holder of controlling interest, at the discretion of the Board of Directors, unless he obtains Central Bank's prior approval.
2. A Licensed Financial Institution shall not allow any Person to hold controlling interest therein, unless it obtains Central Bank's prior approval.
3. In case it is established that a Person has violated the provision of items nos. (1) or (2) of this article, the Central Bank may impose one or more of the following measures:
 - a. Serving a violation notice and giving the violating party a time limit for regularization, otherwise, the Central bank shall order to sell such controlling interest or the proportion that exceeds such controlling interest, and transferring such proceeds to the concerned violating party, in accordance with the mechanism determined by the Central Bank;
 - b. Depriving the violating party of dividends or benefits, to the extent of the violation;
 - c. Preventing the violating party from voting in the concerned institution's general assembly or running for membership of its board of directors until regularization is done or implementation of the procedure determined the Central Bank;
 - d. Suspending or revoking the violating party's membership from the concerned institution's board of directors, if applicable;

- e. Preventing the violating party from disposing of the proportion that exceeds the controlling stake without obtaining the prior written approval of the Central Bank; and
 - f. Any other measure as deemed appropriate by the Board of Directors.
4. The Board of Directors shall issue regulations and directives pertaining to determining the standards for controlling interests and identifying related parties for the purposes of controlling interests in Licensed Financial Institutions, and restrictions to shares and situations of control.

Article (121)

Opening Branches and Subsidiaries Inside or Outside the State and in a Financial Free Zone

A Licensed Financial Institution shall not establish any branch or subsidiary inside or outside the State or in a Financial Free Zone, or relocate or closedown any existing branch without Central Bank's prior approval.

Article (122)

Providing the Central Bank with Information and Reports

1. Licensed Financial Institutions shall:
- a. Provide the Central Bank with reports, information, statements and other documents, which it determined and considered necessary for achieving its objectives and discharge its functions.
 - b. Appoint qualified employees and assign them the task of preparing the reports required by the Central Bank.
 - c. Take appropriate measures to facilitate and ensure that the Person assigned, in accordance with the paragraph (b) of this item, obtains the information required for preparation of the reports.
2. Licensed Financial Institutions are prohibited from issuing instructions or directives, or agree with any manager, officer, an employee working for it, an agent representing it, or auditor of its accounts, to decline to provide the Central Bank with the requirements referred to in item (1) of this article.

3. The Central Bank shall establish rules and guidelines for periodical compilation of information from Licensed Financial Institutions.
4. The Central Bank shall determine the nature, forms and frequency of submission of information. Licensed Financial Institutions shall provide such information in accordance with the instructions issued by the Central Bank in this regard.
5. The provisions of this article shall apply to branches of foreign Licensed Financial Institutions operating in the State.
6. The Central Bank may issue regulations, rules, standards, and instructions regarding provision of the requirements referred to in this article, and may take all measures and actions against the concerned institution or any of its employees referred to in paragraph (b) of item (1) of this article.

Article (123)

Reporting of Violations

1. Licensed Financial Institutions, along with their legal representatives, compliance officers, and auditors of accounts shall be responsible for, immediate reporting of any of the following to the Central Bank:
 - a. Occurrence of any 'Matter of Significance', which may impact its activities, structure, entity, or overall position.
 - b. Occurrence of any violation to the provisions of this decree-law, any other applicable laws in the State related to the jurisdiction of the Central Bank, the decisions, regulations, or instructions issued in implementation thereof.
2. The aforementioned Persons referred to in item (1) of this article shall not be considered to have breached any of their obligations if they, acting in good faith, filed a report as per the provisions of this article, or provided information or opinion to the Central Bank. The Licensed Financial Institution shall not dismiss those mentioned in item (1) of this article, or take any disciplinary actions against them without obtaining approval of the Central Bank.
3. The Central Bank shall establish a mechanism for accepting notifications concerning violations referred to in item (1) of this article.

Article (124)

Submission of Data on Financial Position Required by the Central Bank

1. Each Licensed Financial Institution shall be required to provide the Central Bank with the statements and reports relating to its financial position, in addition to providing it within a period not exceeding three (3) months from end of the financial year, or within such period as the Central Bank may specify, with a copy of the following:
 - a. Audited balance sheet, showing use of assets and liabilities arising from operations of the concerned institution.
 - b. Audited profit and loss account, and any related notes.
 - c. Report of auditors of accounts of the concerned institution.
 - d. Report of the board of directors of the concerned institution.
2. The Central Bank may also require the Licensed Financial Institution to provide the following:
 - a. Copy of the interim profit and loss account, on semi-annual basis, or for other periods specified by the Central Bank.
 - b. Any other additional reports, data or information it deems necessary.
3. No Licensed Financial Institution shall present the data and reports related to its financial position referred to in item (1) of this article to its general assembly meeting prior to obtaining the Central Bank's approval.
4. Authorized Individuals shall promptly notify the Central Bank in case the concerned Licensed Financial Institution is exposed to serious financial or administrative situations compromising the rights of the customers, including Insured, and Beneficiaries, as applicable.

Article (125)

Merger and Acquisition

1. A Licensed Financial Institution shall not merge with or acquire any other institution, regardless of its type of activity, nor transfer any part of its liabilities to another Person, without obtaining Central Bank's prior approval.

2. Without prejudice to the established legislation in the State concerning merger and acquisition, the Board of Directors may issue all regulations, rules, standards, conditions, instructions, and directives pertaining to merger and acquisition.
3. The Licensed Financial Institution shall be notified, officially, of Central Bank's decision rejecting the proposed merger or acquisition within a period not exceeding twenty (20) working days from date of its issue. The notice shall include the following information:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement advising the concerned Licensed Financial Institution of its right to submit a grievance against the decision, by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Article (126)

Cessation of Business

A Licensed Financial Institution shall not cease to operate, fully or partially or suspend its operations, or cease to carry-on all or part of its Licensed Financial Activities without approval of the Central Bank.

Article (127)

Consolidated Supervision

The Central Bank may conduct consolidated supervision of Licensed Financial Institutions according to the rules established by the Board of Directors for that purpose, including the level and the scope of the application of the consolidated supervision, types of holding companies, criteria for their identification and controls governing their operations.

Article (128)

Authority to Issue Instructions and Directives for Prudential Purposes

1. The Board of Directors shall, for the purposes of prudential supervision, issue necessary instructions and directives to a particular Licensed Financial Institution, or to a number of Licensed Financial Institutions within a specific category, including:
 - a. Compliance with Central Bank instructions and directives relating to prudential ratios determined by the Board of Directors, regarding capital adequacy and liquidity or any other purposes.
 - b. Compliance with the required provisions, or processing of specific assets.
 - c. Adherence to limits of credit exposures.
 - d. Adherence to limits of exposures to related parties.
 - e. Satisfying any additional requirements relating to reporting.
2. The Central Bank may take any additional actions to those mentioned in item (1) of this article.
3. The Central Bank may instruct any subsidiary of a Licensed Financial Institution to take particular actions, or refrain from carrying on particular activities, in any of the following cases:
 - a. If the Central Bank is the consolidating supervisory authority of the entities referred to in this item.
 - b. If the Central Bank decided that such instruction is necessary for the exercise of effective and consolidated prudential supervision of the entities referred to in this item.
4. The instructions referred to in item (3) of this article may include the following:
 - a. Require the subsidiary of the concerned Licensed Financial Institution to suspend provision of particular services, or carrying on particular business or activities, or closing down any of its offices or branches outside the State, if such services, business or activities may expose the concerned Licensed Financial Institution to additional risk, or to risks that cannot be managed effectively and appropriately.
 - b. Require the subsidiary of the concerned Licensed Financial Institution to take all necessary actions to remove any impediments that may hinder effective consolidated supervision.

5. The Central Bank may notify any parent company of a Licensed Financial Institution to take certain measures or refrain from engaging in certain activities, in any of the following cases:
 - a. If the Central Bank is the consolidated supervisory authority for the institutions referred to in this item.
 - b. If the Central Bank deems such notification necessary to exercise effective and consolidated prudential supervision over the institutions referred to in this item.

Article (129)

Limits of Operations

The Central Bank may set limits to which Licensed Financial Institutions shall adhere to in their operations, including but not limited:

1. The maximum amount of funding extended under securities-related operations, discount operations, or loans and advances the Licensed Financial Institution is allowed to conduct, as of a certain date.
2. The maximum amount the Licensed Financial Institution may lend to a single Person.
3. The maximum limit for purchasing and dealing in securities issued by any foreign government or related entities, or by corporates incorporated outside the State or in a Financial Free Zone.
4. Any other limits the Central Bank may determine.

Article (130)

Governance of Licensed Financial Institutions

1. The Central Bank shall establish a general framework for governance of Licensed Financial Institutions, and shall issue rules and regulations relating to organization of their boards of directors and shall determine the conditions to be met by members of their boards of directors, and the conditions for appointment of their Authorized Individuals; provided such institutions listed in the State's financial markets shall adhere to the minimum requirements of corporate governance set by the concerned regulatory authority.
2. Licensed Financial Institutions shall obtain Central Bank's prior approval for nomination and appointment of any Person for membership of their boards of directors or renewal of

his membership, and appointment or renewal of the employment contract of any of their Authorized Individuals.

3. The Board of Directors may, as may be required to safeguard public interest, reject any Person's nomination, appointment, or renewal of his membership in the board of directors of a Licensed Financial Institution, and may also reject appointment or renewal of the employment contract of any of its Authorized Individuals.

Article (131)

Rulebook

The Central Bank shall establish an electronic guide, which would include all regulations issued by the Central Bank in accordance with the provisions of this decree-law. Such guide shall be published and regularly updated on the Central Bank's official website.

Article (132)

Retroactive Effect of Central Bank Regulations and Decisions

The regulations, decisions, or circulars issued by the Central Bank in accordance with the provisions of this decree-law shall have no retroactive effect, and shall not prevent implementation of agreements concluded between Licensed Financial Institutions and their customers prior to their issuance. The Central Bank shall determine the required transitional period for Licensed Financial Institutions to reconcile their respective positions, according to the provisions of this decree-law.

Article (133)

Examination

1. The Central Bank may, at any time, dispatch any of its staff or any third party authorized to act on its behalf to Licensed Financial Institutions, their owned companies or subsidiaries, if it is deemed necessary to ensure soundness of their financial positions, and their compliance with the provisions of this decree-law and the regulations and decisions issued in implementation thereof, and other established laws and regulations in the State.

2. In the event that the institutions and companies referred to in item (1) of this article are subject to supervision and licensing by any of the regulatory authorities in the State, the Central Bank shall coordinate with the relevant regulatory authority in this regard in accordance with the provisions of article (28) of this decree-law.
3. The Central Bank may, in coordination with the concerned agencies in the State, inspect premises of any Person suspected of carrying on any of the Licensed Financial Activities referred to in Article (61) of this decree-law, without a license. The Central Bank may, in this respect, require the suspected Person to provide all information, documents, and records relating to the unlicensed financial activities, and may seize such information, documents, and records.
4. Licensed Financial Institutions, their owned companies and subsidiaries shall provide any staff or authorized third party referred to in item (1) of this article with all information, records, books, accounts, documents and data relating to the subject of examination, along with any information they may ask for, on timely basis.
5. Central Bank staff or any authorized third party referred to in item (1) of this article may, within the framework of the examination process, summon any related Person, on the time and place they may determine, to provide information, data, documents, or records relating to the examination process.
6. The Board of Directors may issue regulations, rules, standards, directives and instructions relating to mechanisms and procedures for examination of Licensed Financial Institutions.
7. The Central Bank may take all measures and actions it deems appropriate for achieving its objectives and discharging its functions in accordance with the provisions of this decree-law, and may particularly take the following actions, if it was found that a violation to the provisions of this decree-law, or the regulations and decisions issued in implementation thereof, has occurred:
 - a. Impose restrictions on some of the operations or activities carried on by the concerned Licensed Financial Institution.
 - b. Require the concerned Licensed Financial Institution to take necessary actions and measures to rectify the situation immediately.
 - c. Appoint a specialized expert, or a qualified Central Bank employee, to advise the concerned Licensed Financial Institution or supervise, or oversee some of its

operations, for a period specified by the Central Bank. The concerned Licensed Financial Institution shall pay remunerations of such appointee if he is an expert from outside the Central Bank.

- d. Take any other action or measure, or impose any p sanctions or fines it deems appropriate in accordance with Article (168) of this decree-law.
8. Licensed Financial Institutions shall bear all expenses of examination and investigations process outsourced by the Central Bank, to a third party, in case its violation to the provisions of this decree-law, and the regulation and decisions issued in implementation thereof, has been established.

Article (134)

Examination of Entities of National Licensed Financial Institutions Operating Outside the State or in a Financial Free Zone

The Central Bank may dispatch one or more of its examiners or experts, to undertake examination of entities of national Licensed Financial Institutions operating abroad, in collaboration and coordination with the concerned regulatory authorities in those jurisdictions;

Such would include entities of national Licensed Financial Institutions operating in Financial Free Zones in the State, in cooperation and coordination with the concerned regulatory authorities.

Article (135)

Expert Report

The Central Bank may assign an expert or a Person qualified in the area of Licensed Financial Activities, to provide it with a report on a subject specified by the Central Bank, relating to direct and indirect business and activities of a particular Licensed Financial Institution, in accordance with the conditions and procedures established by the Central Bank, and at the expense of the entities referred to in this article.

Article (136)

Judicial Officer Capacity

Central Bank staff designated per decision issued by the Minister of Justice, in coordination with the Governor, shall, in establishing acts occurring in violation of the provisions of this decree-law, have the capacity of judicial officers.

Article (137)

Requesting Intervention in Lawsuits and Judicial Proceedings and Notification of Investigations

1. Without prejudice to the provisions of the 'Civil Procedures Law', the Central Bank may request intervention in any lawsuit filed before judicial authorities to which a Licensed Financial Institution is party.
2. Law enforcement and other concerned authorities shall notify the Central Bank of any investigations or proceedings initiated against Licensed Financial Institutions. The Central Bank may provide such authorities with any clarifications, statements, or information it deems appropriate in this regard.

Section Two

Financial Accounts

Article (138)

Financial Year of Licensed Financial Institutions

The financial year for a Licensed Financial Institution shall begin on the first of January and end on the thirty first of December of each year, except for the first financial year, which begins from date of registration of the institution in the register of Licensed Financial Institutions referred to in Article (68) of this decree-law, and shall end at the end of the following financial year.

Article (139)

Accounts of Branches of Foreign Licensed Financial Institutions

1. Branches of foreign Licensed Financial Institutions shall maintain separate accounts for all their operations in the State, including the balance sheet and profit and loss account.
2. Branches and sections of Licensed Financial Institution operating in the State, shall, for the purposes of bookkeeping, constitute one financial institution.

Article (140)

Auditors of Accounts of Licensed Financial Institutions

1. Each Licensed Financial Institution operating in the State shall appoint an auditor of accounts or more, from amongst the auditors approved by the Central Bank, for auditing its accounts. Should the concerned Licensed Financial Institution fail to appoint an auditor, the Central Bank shall appoint an auditor for the concerned institution and determine its remunerations, which shall be borne by the concerned institution.

The responsibility of the auditors shall include preparation of a report on the balance sheet and the profit and loss accounts for the shareholders. The auditors shall state in their report whether the annual balance sheet and profit and loss accounts are true and fair, and whether the concerned Licensed Financial Institution has provided them with all the information and clarifications requested for performance of their mission. The concerned Licensed Financial Institution shall, at least twenty (20) working days before convening of the general assembly, provide the Central Bank with copy of the auditors' report, along with copy of the balance sheet and the profit and loss account.

2. The general assembly of a Licensed Financial Institution shall not be convened prior to receipt of Central Bank's remarks on the report. The Central Bank may, within ten (10) working days from date of receipt of the report referred to in item (1) of this article, issue a decision not to approve the profits proposed for distribution to shareholders, if a shortfall in provisions was found, or a decline in the capital adequacy ratio from the established minimum requirement was established, or any reservation indicated in the auditors' report or from the Central Bank, and deemed to have impact on distributable profits.

3. The auditors' report, together with the report of the board of directors of the Licensed Financial Institution shall be read to the shareholders at the annual general assembly where the concerned institution is incorporated in the State. Such institution shall, after approval of the Central Bank, within twenty (20) working days from date of convening of the general assembly, publish each of these reports on their website. If the concerned Licensed Financial Institution was incorporated outside the State or in a Financial Free Zone, a copy of the auditors' report shall be forwarded to its head office, and a copy thereof shall be submitted to the Central Bank within twenty (20) working days from date of its issue.
4. The auditors shall not be represented in the board of directors of the Licensed Financial Institution, which appointed it to audit its accounts, nor have one of its staff appointed as employee, or carrying on consulting business to such institution.
5. A Licensed Financial Institution shall not extend credit facilities, of any type, to the auditors of its accounts. An auditor approved by the Central Bank shall not commence its functions at a Licensed Financial Institution, unless any obligations it may have towards such institution were settled.
6. The auditors shall be responsible for the contents of their report on the financial statements of the concerned Licensed Financial Institution. If failure to properly perform their assigned duties or violation of provisions of this decree-law and the regulations and decisions issued in implementation thereof was established, the Central Bank may take any necessary measures or procedures, in collaboration and coordination with the concerned authorities in the State to strike their names from the established registers. The Central Bank may, at its own discretion, take any administrative or legal actions and measures against the negligent or violating auditors.
7. The Central Bank may, as it deems necessary, require the auditors of a Licensed Financial Institution, or its subsidiaries or affiliates, to submit a report, at the expense of the concerned Licensed Financial Institution, establishing their compliance with the provisions of this decree-law and the regulations and decisions issued in implementation thereof.
8. The Board of Directors shall issue regulations and establish a register for approved auditors, authorized to audit the accounts of Licensed Financial Institutions.

Article (141)

Publication and Posting of Accounts Information

1. Each Licensed Financial Institution shall publish and post the following information and statements on its website, and in each of its offices and branches in the State:
 - a. Copy of its audited balance sheet and profit and loss account, and copy of the auditors' report. Where a Licensed Financial Institution is incorporated outside the State or in a Financial Free Zone, publication of such statements may be carried out in the manner consistent with laws of the concerned jurisdiction.
 - b. List of names of members of the board of directors, senior executives and other Authorized Individuals.
 - c. Names of all wholly or partially owned subsidiaries, or entities related to the concerned Licensed Financial Institution.
2. The Central Bank may, require any Licensed Financial Institution to publish or post any information or statements relating to its accounts, in addition to the requirements stated in item (1) of this article, as it deems appropriate.

Section Three

Early Intervention, Resolution and Liquidation of Licensed Financial Institutions

Article (142)

Early Intervention

1. Where a Licensed Financial Institution, breaches or is likely to breach its capital or liquidity requirement due to a rapidly deteriorating financial conditions, or where the concerned institution itself or one of its subsidiaries is experiencing a deficiency in its financial position, the Central Bank may, in accordance with the regulations it issues, take a series of measures, including:
 - a. Require the concerned institution to implement one or more measures in its recovery plan.
 - b. Require the concerned institution to provide additional financial resources for support of its paid-up capital.

- c. Impose additional liquidity requirements on the concerned institution, commensurable with the risks associated with its activities.
- d. Require the concerned institution to evaluate its situation, identify corrective measures to address risks and deficiencies, and make arrangements to adopt those measures.
- e. Require the concerned institution to make changes to its business strategy.
- f. Require the concerned institution to make changes to its legal or operational structure.
- g. Issue a decision and take necessary actions to merge the concerned institution with another Licensed Financial Institution.
- h. Permit any eligible financial institution to acquire the concerned institution.
- i. Remove or replace one or more members of the board of directors or other Authorized Individuals who are proven unfit to discharge their duties.
- j. Form an interim committee to manage the concerned institution and authorize such committee to take whatever actions it deems appropriate, as per conditions and controls determined by the Board of Directors, including the possibility of taking the decision to impose a moratorium on all or some of the activities of the concerned institution with immediate effect as well as consequential actions. The concerned institution shall be liable for the fees of the committee as determined by the Central Bank.
- k. Undertake, over a period specified by the Board of Directors, direct management of the concerned institution, and shall, in this case, substitute management of the concerned institution in exercising all powers, including financial and administrative powers; and the powers and authorities of its board of directors, and its general assembly shall immediately be frozen until expiry of the period of interim management.
- l. Appoint an independent observer member from outside the CBUAE to attend meetings of the board of directors of the concerned institution and participate in the discussions without having a vote and the Board of Directors shall determine the member's duties and remuneration.
- m. Request competent authorities in the State to place the concerned institution under interim custody and seize its assets, property and shareholders rights.

- n. Issue a resolution to liquidate the concerned institution, prepare a plan for liquidation or transfer of its assets and liabilities, as it deems appropriate, along with all related settlements and releases and implement or oversee implementation of the liquidation plan, or adopt a resolution decision, or request the competent court to declare bankruptcy, in accordance with the legislations in force in the State.
 - o. Any other measures or actions in accordance with a decision by the Board of Directors.
2. In respect of a (Re)Insurance Company failing to take certain measures or actions to rectify its position within the determined period, the Central Bank may, at its own discretion and in addition to the measures referred to in item (1) of this article, take one or more of the following measures to redress its situation, including:
- a. Suspend or prevent the concerned company from concluding any more insurance contracts or practicing any or all types of insurance.
 - b. Set upper limits for the Premiums total amounts received by the concerned company for issuing insurance policies.
 - c. Retain assets in the State equal in value to the concerned company's total net obligations accrued from its operations in the State or a certain percentage of their value.
 - d. Restrict the concerned company's involvement in any of its investment activities associated with the Solvency Margin or compelling it to liquidate its investments in any of these activities to serve this purpose, unless such action would cause damage to such company as determined by the expert specialized in this field.
 - e. Require the concerned company to refrain from making distributions on own fund instruments or repayment or repurchase of own fund items.
 - f. Suspend or revoke the concerned company's license.
 - g. Restructure the concerned company.
 - h. Liquidate the concerned company.
3. The provisions stipulated in items nos. (1) and (2) of this article shall apply to Insurance-Related Professions to the extent appropriate to the nature of their professions.
4. Where a decision is issued to merge or liquidate a Licensed Financial Institution incorporated outside the State or in a Financial Free Zone, with a branch and subsidiary in the State, the same procedures in force in the jurisdictions concerned with the institution

shall be applied, unless this results in a negative impact on financial stability, provides better protection for creditors in the State, and unless otherwise agreed upon with the concerned authority.

5. The Central Bank may coordinate with the relevant federal and local authorities, or any other authority before issuance of any decision by the Board of Directors, as per provisions of this article. The Central Bank may request the competent judicial authorities to take protective and urgent measures and actions, which would ensure protection of property and interest of investors, depositors, Insured, and Beneficiaries or serve public interest.
6. The concerned Licensed Financial Institution shall be notified, officially, of the Central Bank's decision pertaining to this article within a period not exceeding twenty (20) working days from date of its issue. The notice shall include the following information:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement advising the concerned Licensed Financial Institution of its right to submit a grievance against the decision, within a period not exceeding twenty (20) working days from the date of notification, by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.

Article (143)

Resolution Powers

1. The Central Bank is the 'Resolution Authority' in the State and shall have the following powers in case of restructuring or winding down any Licensed Financial Institution, it places under resolution:
 - a. Remove and appoint the senior management and directors and other Authorized Individuals, and recover monies from responsible persons, including claw-back of incentives and remunerations.
 - b. Appoint one or more individuals to act as resolution administrator to manage or take control the concerned institution, or parts of its business, with the aim of restoring its viability, and granting them the powers referred to in paragraphs (c), (d) and (e) of this item.

- c. Terminate or close out contracts to which the concerned institution is a party, or fulfilling or assigning obligations arising therefrom, or purchase or sell assets.
- d. Write down or convert any instrument or liability.
- e. Ensure the continuity of operational services and functions the Central Bank deems necessary through any of the following:
 - 1. Require other entities in the same group to continue to provide services or facilities to the concerned institution or any successor or acquiring entity;
 - 2. Ensure the residual entity in resolution can temporarily provide such services to a successor or acquiring entity; or
 - 3. Procure the necessary services or facilities from unaffiliated third parties.
- f. Override rights of shareholders of the concerned institution, including removing the rights to acquire further shares and requirements for approval by shareholders of particular transactions, in order to permit a merger, acquisition, sale of business operations, recapitalization or other measures to restructure and dispose of its business, liabilities or assets.
- g. Transfer or sell of all or part of the rights and obligations, assets, liabilities and shares of the concerned institution to a solvent third party, notwithstanding any requirements for consent or novation that would otherwise apply.
- h. Establish a temporary bridge institution to take over and continue operating certain critical functions and viable operations of the concerned institution.
- i. Establish a separate asset management vehicle and transfer thereto for management and run-down non-performing loans or difficult-to-value assets.
- j. Carry out a bail-in with the aim of ensuring the continuity of critical functions either by recapitalizing the entity providing these functions or by capitalizing a newly established entity or bridge institution to whom these functions have been transferred.
- k. Temporarily stay the exercise of early termination rights under any contracts or agreements that may otherwise be triggered upon entry of the concerned institution into resolution or in connection with the exercise of resolution powers.
- l. Impose a moratorium with a suspension of payments to unsecured creditors and customers – except for payments to central counterparties, payment, clearing and settlements systems and central banks – and a stay on creditor actions to attach assets

- or otherwise collect money or property from the concerned institution, while protecting the enforcement of eligible netting and collateral arrangements.
- m. Effect the closure and orderly wind-down of the whole or part of the business of the concerned institution.
 - n. Require the concerned institution to provide prompt access to transaction accounts and return identifiable and segregated assets to customers.
 - o. Restrict secured creditors of the concerned institution from enforcing security interests in relation to its assets; except for assets pledged or provided by way of margin or collateral to central counterparties, payment, clearing and settlements systems and central banks.
 - p. In relation to debt instruments and other liabilities issued by the concerned institution, do any of the following:
 - 1. Amend the maturity date;
 - 2. Amend the amount of interest payable; or
 - 3. Amend the date on which the interest becomes payable, including by suspending payment for a temporary period.
 - q. Require a Person to discontinue or suspend the admission to trading of financial instruments relating to the concerned institution.
 - r. Determine circumstances which must be disregarded to determine whether a default event provision in a contract applies.
2. The Central Bank may exercise its resolution powers:
- a. Irrespective of any restriction on, or requirement to obtain consent for (other than from a purchaser), the transfer of the financial instruments, rights, assets or liabilities in question that might otherwise apply.
 - b. Without the requirement to obtain approval or consent of any Person either public or private, including the shareholders or creditors of the concerned institution.
 - c. Without the requirement to notify any Person, including any requirement to publish any notice or prospectus or to file or register any document with any other authority.
3. The Central Bank's exercise of its powers referred to in item (2) of this article shall have precedence over any procedural requirements under the legislation applicable in the State.

4. The Central Bank may exercise its resolution powers in respect of a holding company, subsidiary or branch of the concerned institution.
5. The Central Bank may recover expenses reasonably incurred in connection with the use of its resolution powers:
 - a. As a deduction from any consideration paid by a transferee of the concerned institution or, as the case may be, to the owners of the shares;
 - b. From the concerned institution, considering the Central Bank as a preferred creditor , subject to Article (144) of this decree-law; or
 - c. From any proceeds generated as a result of the termination of the operation of a bridge institution or asset management vehicle, considering the Central Bank as a preferred creditor, subject to Article (144) of this decree-law.
6. Where the Central Bank determines there are impediments to the resolvability of the concerned institution or an entity in its group, it may require the concerned institution to take such measures as the Central Bank considers reasonably necessary to remove or mitigate the effect of those impediments.
7. The concerned institution, an entity in its group or its directors and staff, as well as any Person appointed by the Central Bank, will not be liable to third parties for actions or omissions made in good faith to comply with requirements from the Central Bank in connection with the exercise of its resolution powers.
8. Where any resolution authority outside the State or in a Financial Free Zone notifies the Central Bank that it intends to take or has taken resolution action with respect to an entity in that jurisdiction and requests the Central Bank to recognize that resolution action, the Central Bank shall make a decision to recognize that action in full or in part or refuse to recognize it.
9. The Central Bank may issue regulations with respect to enhancing the resolvability of Licensed Financial Institutions and the exercise of its resolution powers.
10. In respect of a (Re)Insurance Company, the Central Bank shall have the following powers, in addition to the aforementioned powers referred to in this article, to restructure or wind down the concerned company it places under resolution:

- a. Permit the exercise of options under existing contracts of insurance, including the surrender or withdrawal of contract cash value and the payment of further Premiums provided for under the existing contracts.
- b. Restructure, limit, write down or convert any instrument or liability, including insurance, reinsurance and other liability, and allocate losses to creditors, Insured and Beneficiaries in a way consistent with the statutory creditor hierarchy, without a requirement of prior individual notification to and consent from creditors, including Insured and Beneficiaries.
- c. Transfer or sell of all or part of the rights and obligations, assets, liabilities and shares of the concerned company, including undertaking a portfolio transfer of all or part of the insurance business and reinsurance associated with the transferred policies, to a solvent third party, notwithstanding any requirements for consent or novation that would otherwise apply.
- d. Establish a separate asset management vehicle where non-performing portfolios or assets will be transferred for management, disposal, and liquidation.
- e. Discontinue the writing of new insurance policies by the company in resolution while continuing to administer existing contractual policy obligations.
- f. Suspend any payment or delivery obligations pursuant to any contract to which the concerned company under resolution is a party – except in respect of payment and delivery obligations to central counterparties, payment, clearing and settlements systems and central banks – and the suspension applies to both the concerned company and the concerned counterparties.

Article (144)

Order of Fulfillment of Debts and other Obligations

Subject to the powers and measures exercised by the Central Bank under Articles nos. (142) and (143) of this decree-law, any amounts due and payable by a Licensed Financial Institution placed under resolution by the Central Bank shall be discharged in the following order of priority:

1. Holders of debts secured by movable or immovable property, to the extent of their guarantees of the value of the mortgaged property.

2. Payment of outstanding wages, salaries, and other employment-related remuneration accrued but unpaid for the six (6) months immediately preceding the initiation of resolution;
3. Reasonable expenses incurred by the Central Bank or by any appointed resolution administrator, including fees and costs associated with managing the resolution process, and any loans or advances extended by the Central Bank to ensure continuity of critical operations or functions of the concerned institution;
4. Rights of customers of Licensed Financial Institutions, Insured and Beneficiaries. The Central Bank shall allocate specific assets or proceeds from transferred assets of the concerned institution to satisfy such obligations. Such specific assets and proceeds shall include, with respect to a (Re)Insurance Company, Technical Provisions as well as any amount collected by the concerned institution under the reinsurance arrangements relevant to pay such obligations;
5. Rights of other creditors, as per their order of priority under the provisions of the legislation in force in this regard; and
6. Rights of shareholders of the concerned institution.

Article (145)

Publication of Resolution or Liquidation Announcement

1. In case of resolution or liquidation of a Licensed Financial Institution, such an announcement shall be published in the Official Gazette; and in, at least, two local Arabic and English daily newspapers, and for a period not less than three (3) business days from the date of the decision, provided that the announcement shall include the following:
 - a. A grace period, not be less than three (3) months, allowed to customers of the concerned institution to take necessary actions to protect their rights.
 - b. Details of the entity assigned for the resolution and its functions or the liquidator and his functions.
2. If the resolution or liquidation occurred as a result of the Licensed Financial Institution being struck-off the Licensed Financial Institution Register, the Chairman or his deputized representative shall specify, in the decision to strike-off name of the concerned institution,

the date of closing down of the concerned institution, and the entity assigned for resolution or liquidation of any outstanding operations on such date.

Article (146)

Surveillance of Financial Institutions under Resolution or Liquidation

The Central Bank shall continue surveillance of operations of any financial institution under resolution or liquidation, until final closure of its offices.

Chapter Six

Customers' Protection

Article (147)

Confidentiality of Data and Information

1. All data and information relating to customers and business of Licensed Financial Institutions and related transactions shall be considered confidential in nature, and shall not be perused, or directly or indirectly disclosed to any third party without the consent of customer, legal attorney or authorized agent, in accordance with the regulations issued by the Central Bank.
2. Such prohibition shall remain valid, even after end of the business relationship between the customer and the Licensed Financial Institution for any reason.
3. Chairmen and members of boards of directors, Authorized Individuals and employees of Licensed Financial Institutions, and experts, consultants and technicians assigned to perform functions therein, are prohibited from disclosing any information or data on their customers; their accounts or deposits or transactions relating thereto, or enable third parties to peruse them, except in legally authorized cases.
4. Such prohibition shall apply to all agencies and Persons, and whoever, by virtue of his profession, position or nature of work, is able to, directly or indirectly, peruse such information and data.
5. The Central Bank shall establish rules and conditions organizing exchange of customers' data and information, in its capacity as the competent Regulatory Authority in the State in this regard.

6. The provisions of item nos. (1) and (2) of this article shall be without prejudice to the following:
 - a. The powers legally vested on security and judicial authorities, the Central Bank and its employees.
 - b. The duties assigned to auditors of accounts of the concerned institutions.
 - c. The obligation of the concerned institutions to issue, upon request of the beneficiary, a certificate of the reasons for declining to cash a cheque.
 - d. The obligation of the concerned institutions to issue a certificate of partial payment of value of a cheque, where the consideration for payment is less than the value of the cheque, pursuant to the provisions of the 'Commercial Transactions Law'.
 - e. The right of the concerned institutions to disclose whole or part of the data relating to the customer's transactions, in order to establish its right in a legal dispute in respect of such transactions, with its customer.
 - f. The right of the concerned institutions to transfer whole or part of the data relating to customers, in order to establish its right in a transfer of business to, a merger with, or an acquisition by another financial institution as approved by the Central Bank.
 - g. Provisions of established laws and international agreements in the State, in addition to countering anti-money laundering and combating terrorist financing.

Article (148)

Protection of Customers of Licensed Financial Institutions

1. The Board of Directors shall issue regulations relating to protection of customers of Licensed Financial Institutions, in line with the nature of activities the latter carry on and the services and products they offer.
2. The Central Bank shall establish an independent unit with legal personality to receive, hear, adjudicate, and issue binding resolutions on customer complaints against Banks and Insurance Companies. The Board of Directors shall issue a resolution establishing this unit, specifying its functions, charter, powers and the human resources and financial affairs regulations applicable thereto.
3. Banks and Insurance Companies shall process any customers' complaint or claim in accordance with their contractual terms and conditions, and the legislation in force. The

concerned institutions shall issue a decision on any complaint or claim. In the event that any complaint or claim is rejected, in whole or in part, Banks and Insurance Companies shall state the reasons for such decision in writing.

4. If a dispute arises out between a customer and a Bank or an Insurance Company, the customer may file a complaint to the unit, referred to in item (2) of this article, according to the established procedures.
5. One or more committees shall be established in the unit, referred to in item (2) of this article, to settle disputes arising from Licensed Financial Activities pertaining to Banks and Insurance Companies. The Board of Directors shall issue necessary decisions determining their competences, powers, rules of procedure, remunerations of its members and the fees it collects, in addition to the decisions related to its formation. Each committee shall be headed by a judge with membership of another judge and one expert or more selected by the Central Bank.
6. The committee's resolutions shall be final and enforceable against the concerned Banks and Insurance Companies, where such institutions shall not challenge the decisions referred to in this article on disputes whose value does not exceed one hundred thousand (100,000) Dirhams.
7. Resolutions of the committee referred to in this article shall not be final and enforceable immediately upon their issuance, if the dispute value exceed one hundred thousand (100,000) Dirhams. The concerned institution and concerned party may challenge such resolutions before the competent 'Court of Appeal' in accordance with the rules of jurisdiction contained in the civil procedures law within thirty (30) days, from the date of its issuance or knowledge thereof, otherwise, the challenge shall be inadmissible.
8. Claims arising from disputes arising from insurance contracts, business and services shall not be accepted if such disputes are not presented to the committees formed in accordance with the provisions of this article.
9. The Central Bank may expand the jurisdictions of the unit, referred to in item (2) of this article, to include complaints and claims arising against Licensed Financial Institutions other than Banks and (Re)Insurance Companies if deemed necessary. In this case, provisions of items nos. (2) to (7) of this article shall be applicable herein.

10. The Central Bank and Licensed Financial Institutions shall work together to raise public awareness of the types of banking and insurance services, financial products, and their inherent risks, through all means of communication and media, in accordance with the controls set by the Central Bank.
11. Licensed Financial Institutions shall not charge interest on accrued interest (compound interest) in relation to facilities extended to customers, and shall, in this regard, follow the rules and controls prescribed in regulations issued by the Central Bank.

Article (149)

Fraud Prevention

1. Licensed Financial Institutions shall implement robust fraud prevention and detection mechanisms to safeguard customers against unauthorized transactions, social engineering, identity theft, and other fraudulent activities.
2. The Central Bank may issue regulations setting minimum security standards for digital and traditional banking services, including but not limited to authentication protocols, transaction monitoring, and reporting obligations for suspected fraud.
3. Licensed Financial Institutions shall promptly notify affected customers of any security breaches or fraudulent incidents and take immediate corrective actions to mitigate damage.
4. The Central Bank may require Licensed Financial Institutions to submit data, reports, or other relevant information including transaction records, fraud patterns, and mitigation measures to monitor risks, prevent systemic fraud, and issue sector-wide directives.
5. Licensed Financial Institutions shall cooperate fully with the Central Bank's investigations into fraud incidents and implement prescribed preventive measures within deadlines set by the Central Bank.
6. Without prejudice to the provisions of Article (147) of this decree-law, if reasonable concerns arise that suspicious or fraudulent transactions are being committed or have been committed by a specific customer, a Licensed Financial Institution may disclose documents or information related to the concerned customer to any other Licensed Financial Institution authorized to receive such documents or information only to the extent necessary for verification.

7. Licensed Financial Institutions shall provide clear, transparent, and easily accessible information on fees, terms, and risks associated with their products and services, ensuring customers can make informed decisions.

Article (150)

Credit Facilities Guarantees

1. Licensed Financial Institutions shall obtain and maintain adequate guarantees for all types of facilities provided to natural persons and sole proprietorships customers, commensurable with the customer's income, or the guarantee, if any, and the size of required facilities, as determined by the Central Bank from time to time.
2. A claim, a lawsuit, or a plea shall not be admissible before competent judicial authorities or arbitration tribunals if filed by a Licensed Financial Institution in respect of credit facilities extended to a natural person or a sole proprietorship, in case such institution had failed to ensure obtaining or maintaining the guarantees referred to in item (1) of this article.
3. The Central Bank may impose administrative or financial sanctions it deems appropriate on those Licensed Financial Institutions violating the provisions of item (1) of this article, in accordance with Article (168) of this decree-law.

Article (151)

Establishment of Specialized Funds

1. The Central Bank may establish specialized funds that have independent legal personality for the purpose of protecting depositors, Insured, Beneficiaries, stabilize Licensed Financial Institutions undergoing a severe stress which may result in their being placed under resolution, bankruptcy, or negatively impact the financial stability in the State.
2. The Central Bank may impose levies or surcharges on such institutions, referred to in item (1) of this article, for the purpose of providing such specialized funds with the necessary resources to achieve their objectives.
3. The Board of Directors shall issue regulations related to the establishment and functioning of the specialized funds mentioned in this article, including their objectives and regulation, mechanism of their financing and the scope of coverage, risks they cover, benefits they

provide when those risks occur, methods for their termination, and provisions for their liquidation, as the case may be.

Article (152)

Financial Inclusion

1. The Board of Directors shall establish necessary regulations and mechanisms to ensure that every Person shall have the right to access all or part of the banking and financial services and products from Licensed Financial Institutions suited to their needs.
2. The Central Bank, in collaboration with Licensed Financial Institutions, shall design and implement nationwide financial literacy programs to enhance public understanding of reasonable and responsible borrowing, savings, investment risks, and digital financial services.
3. The Central Bank may arrange periodic awareness campaigns through media, educational institutions, and community outreach to reinforce customer protection and financial inclusion objectives.

Part Four

Financial Market Infrastructures

Chapter One

Funds Transfer, Settlement of Securities, and Trade Repositories

Article (153)

Establishment and Operation of Financial Market Infrastructure

1. The Central Bank may:
 - a. Establish, develop, or operate one or more clearing or settlement systems for transfer of funds, and settlement of securities for securities issued by the Central Bank, the Public Sector or Government-Related Entities and other obligations between Participant Persons in such systems, and may conduct such on its own, through any of its subsidiaries, directly or indirectly, in partnership with any other party, or by outsourcing to third parties.

- b. Establish or operate central securities depository for securities issued by the Central Bank, the Public Sector or Government-Related Entities, and trade repository systems for monetary and financial transactions in the State, and may conduct such on its own, through any of its subsidiaries, directly or indirectly, or in partnership with any other party, or by outsourcing to third parties.
 - c. Link the systems referred to in paragraphs (a) and (b) of this item to similar systems inside and outside the State.
 2. The Central Bank shall coordinate with concerned regulatory authorities and other bodies in the State, in relation to the establishment of trade repository systems for monetary and financial transactions referred to in item (1) of this article.
 3. The Central Bank shall issue guidelines and directives related to the systems referred to in item (1) and (2) of this article, the rules of participation in these systems, and the rules to execute related operations.

Article (154)

Application for Licensing Financial Market Infrastructures or Extension of License Scope

1. Any juridical person may, in accordance with regulations issued by the Board of Directors, submit to the Central Bank an application for licensing a Financial Market Infrastructure, or extension of the scope of a previously issued license.
2. The Board of Directors shall issue the regulations, rules, standards, and conditions relating to licensing a Financial Market Infrastructure, including:
 - a. Fit and proper criteria;
 - b. Resources required for the system; and
 - c. Control and monitoring systems.
3. The Central Bank may, at its own discretion and as it deems appropriate to safeguarding public interest, add any requirements or conditions to be fulfilled by the applicant.

Article (155)

Deciding on Application for Licensing Financial Market Infrastructures or Extension of License Scope

1. Deciding on licensing of Financial Market Infrastructures or extension of its scope shall be within a period not exceeding sixty (60) working days from date of meeting all licensing conditions and requirements. Expiry of this period without decision on the application shall be considered an implicit rejection thereof.
2. The Central Bank may require the applicant to fulfill licensing requirements and conditions within such period as specified by the Central Bank.
3. The Central Bank may reject an application for licensing of Financial Market Infrastructures or extension of their scope, at its own discretion and based on the capacity of the financial sector in the State, and the needs of the local market. The Central Bank's decision in this regard shall be final and not subject to appeal before the Grievances and Appeals Committee.
4. The applicant shall be notified, officially, of the reasoned rejection decision within a period not exceeding twenty (20) working days from date of its issue.

Article (156)

Retail and Wholesale Payment Operations and Related Digital Services

The Central Bank shall solely:

1. Have the authority to issue regulations, rules, and procedures relating to digital banking operations, digital money, payment tokenization, stored value facilities, and shall regulate wholesale and Retail Payment Systems, including cross-border payment systems, and related digital banking and financial services.
2. Take all measures and procedures it deems appropriate to mitigate risks to the State's financial and economic systems associated with operations and systems referred to in item (1) of this article.

Chapter Two
Powers and Functions of the Central Bank Pertaining to Financial Market Infrastructures
Article (157)

Designation of Financial Market Infrastructures

1. The Central Bank may designate any Financial Market Infrastructure as systemically important ('Designated Infrastructure') if it considers, at its own discretion, that any malfunction or inefficiency in the operation of such infrastructure would negatively impact processing of the daily operations of financial institutions operating in the State, or the stability of the financial system in the State.
2. For a Financial Market Infrastructure to be designated, it shall meet one of the following conditions:
 - a. The concerned infrastructure is operating in the State;
 - b. The concerned infrastructure has the capacity to accept clearing and settlement of financial Transfer Orders denominated in Dirham, without prejudice to the provisions of Article (28) of this decree-law; or
 - c. The concerned infrastructure has the capacity to provide transfer, clearing or settlement of financial Transfer Orders, for retail and wholesale payment activities, denominated in any currency.
3. Should the Central Bank intend to designate any of the Financial Market Infrastructures it licenses as systemically important, it shall:
 - a. Notify the operator of the infrastructure, or its Settlement Institution, officially, of its intention to designate this infrastructure as systemically important, clarify grounds of such intention, in addition to other terms and conditions attached to such designation.
 - b. Allow such period as specified in the notice referred to in paragraph (a) of this item, which shall not be less than ten (10) working days from date of notification, within which the infrastructure's operator or its Settlement Institution may provide their opinions, or make representations, as to why such infrastructure should not be designated.

- c. Issue its decision on designation of the infrastructure, within a period not exceeding twenty (20) working days from date of receipt of responses from concerned parties, or expiry of the period stated in the notice, without response.
4. The operator of the Designated Infrastructure or the Settlement Institution may submit a grievance against the designation decision referred to in item (3) of this article by applying to the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.
5. Unless specified by the Central Bank, any Financial Market Infrastructure established, developed, or operated, in accordance with the provisions of Article (153) of this decree-law shall be deemed as Designated Infrastructure.
6. Should the Central Bank intend to designate any of the Financial Market Infrastructures licensed by any of the other Regulatory Authorities in the State, abroad, or in a Financial Free Zone as systemically important, it shall submit its opinion in this regard to the concerned regulatory authority. Should the concerned regulatory authority have no objection to such designation, it shall:
 - a. Notify the operator of the infrastructure or its Settlement Institution, officially, of the intention to designate this infrastructure as systemically important, clarify grounds of such intention, in addition to other terms and conditions attached to such designation.
 - b. Allow such period as specified in the notice referred to in paragraph (a) of this item, which shall not be less than ten (10) working days from date of notification, within which the infrastructure's operator or its Settlement Institution may provide their opinions, or make representations, as to why such infrastructure should not be designated.
 - c. Issue and notify the Central bank of its final approval or disapproval decision, on the Central Bank's request to designate the concerned infrastructure, in accordance with the provisions of this article, within a period not exceeding twenty (20) working days from date of receipt of responses from concerned parties, or expiry of the period stated in the notice, without response.
7. The Central Bank may revoke designation of a particular Financial Market Infrastructure it licenses or request such action from the concerned regulatory authority, if it considered, at its own discretion, that the infrastructure is no longer of

systemic importance. The concerned regulatory authority, the operator of the infrastructure, or its Settlement Institution shall be notified, officially, of such decision, as the case may be.

Article (158)

Oversight of Financial Market Infrastructures

1. The Central Bank shall solely undertake oversight over operations of Financial Market Infrastructures, and ensure their soundness, in accordance with relevant international standards. For such purpose, the Central Bank may require the operators of such infrastructures or their Settlement Institutions to take required measures and procedures.
2. The Central Bank shall be responsible for monitoring the implementation of required additional oversight measures and procedures on Designated Infrastructures, licensed by any of the other Regulatory Authorities in the State, abroad, or in a Financial Free Zone in collaboration and coordination with the concerned regulatory authority, and may request in this regard from the concerned regulatory authority:
 - a. Require operators of the Designated Infrastructures or their Settlement Institutions to comply with the instructions it issues in this respect and any relevant international standards.
 - b. Ensure proper and regular functioning of Designated Infrastructures.
 - c. Ensure soundness of financial positions of operators of such Designated Infrastructures and their Settlement Institutions, when deemed necessary.
 - d. Require the operators of the Designated Infrastructures or their Settlement Institutions to provide it, with the information it deems appropriate for achievement of its objectives and discharge of its functions.
3. The Central Bank may appoint whoever it deems appropriate of experts and advisers specialized in Financial Market Infrastructures to assist the Central Bank in discharging its functions and duties in accordance with the provisions of Part IV of this decree-law, in order to keep in step with best international standards and practices in this area.

Article (159)

Suspension or Revocation of a License

1. The Central Bank may suspend or revoke a license granted to a Financial Market Infrastructure, in accordance with the provisions of Article nos. (154) and (155) of this decree-law, via an official notice to the operator or the Settlement Institution of the concerned infrastructure, and take necessary actions in this respect, as the case may be, if it considered that such infrastructure is no longer capable of conducting its operations. The Central Bank shall allow such period as specified in the notice referred to in this item, which shall not be less than twenty (20) working days from date of notification, within which the concerned infrastructure operator or its Settlement Institution may object to the Central Bank's decision to suspend or revoke the license and provide their justifications for such objection before the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.
2. The Central Bank, if it considers that any Designated Infrastructure licensed by any of the Regulatory Authorities in the State, abroad, or in a Financial Free Zone is no longer capable of conducting its operations, may request the concerned regulatory authority, via an official notice, to suspend or revoke the license of this infrastructure and take necessary actions in this respect, as the case may be. The concerned regulatory authority shall have the right to approve or reject the request of the Central Bank. In case of approval, the procedures and controls in force by the concerned authority shall be applicable.
3. In all cases, the suspension or revocation of a license granted to a Designated Infrastructure in accordance with the provisions of this article, shall not affect any transaction cleared or settled through the concerned infrastructure prior to the effective date of suspension or revocation.

Article (160)

Authority to Issue Regulations and Instructions

1. The Board of Directors shall issue regulations, instructions, rules, directives, and codes of conduct as it deems appropriate for the implementation of the provisions of Part IV of this decree-law, and to achieve the objectives of the Central Bank and discharge its functions. For such purpose, it may issue the following:

- a. Regulations, conditions and rules relating to licenses, granted by the Central Bank in accordance with the provisions of Article nos. (154) and (155) of this decree-law, to operators of Financial Market Infrastructures and the Settlement Institutions for such infrastructures or their Participant Persons.
 - b. Regulations, rules and standards relating to the designation and oversight of Financial Market Infrastructures, as per the provisions of Article nos. (157) and (158) of this decree-law, monitoring operations of such infrastructures and enforcing compliance requirements on Participant Persons thereof.
2. The Central Bank may exempt operators of Financial Market Infrastructures it licenses, the Settlement Institutions of such infrastructures or Participant Persons, in a general or specific manner, from all or some of the provisions of any of the regulations, instructions, rules, directives, and controls it issues.

Article (161)

Determining Violations

1. The Board of Directors shall issue regulations specifying types of violations pertaining to Financial Market Infrastructures licensed and Designated Infrastructure by the Central Bank, the penalties prescribed for violations, and any of the following instances shall be considered a violation to the terms and conditions relating thereto:
 - a. Violation of operational requirements of such infrastructures and related settlement rules and procedures.
 - b. Failure of an operator of an infrastructure or its Settlement Institution to comply with a Central Bank request for information or documents.
 - c. Failure to comply with Central Bank's decisions and instructions, and failure to take a particular action, which the Central Bank considers necessary to render the infrastructure compliant with the criteria it sets.
 - d. Failure, on the part of an operator of an infrastructure or its Settlement Institution to report any action taken under Default Arrangements of such infrastructure, in respect of a Participant Person.

- e. Failure, on the part of a Participant Person, to notify the infrastructure operator, its Settlement Institutions and the Central Bank of issuance of judgement declaring it bankrupt or placing it under liquidation.
 - f. Operating an infrastructure without obtaining a license in accordance with the provisions of Article nos. (154) and (155) of this decree-law.
 - g. Failure of an operator of an infrastructure or its Settlement Institution to comply with any request from the Central Bank or any other government entity, relating to default, within a specified time period.
 - h. Failure of an operator of an infrastructure to notify the Central Bank of issuance of judgment regarding declaration of bankruptcy or liquidation of any Participant Person.
 - i. Providing the Central Bank with incorrect or misleading information.
 - j. Adding an incorrect entry to any registration book or in any document related to a particular infrastructure, or causing alteration, deletion or obliteration of such entry.
 - k. Any other related action to the clearing and settlement operations or to the retail and wholesale payment operations the Central Bank considers a violation.
2. The Central Bank may take whatever actions it deems appropriate to rectify any violations referred to in item (1) of this article, and determine settlement and enforcement of applicable sanctions and fines thereof in accordance with Article (168) of this decree-law.

Chapter Three

Finality of Transactions and Proceedings

Article (162)

Finality of Payment and Settlement

1. All transactions conducted through a Financial Market Infrastructure, which meets one of the designation conditions referred to in item (2) of Article (157) of this decree-law shall be final, irrevocable and irreversible, in any of the following cases:
 - a. Transfer of funds from or to the account of a Participant Person.
 - b. Settlement of a payment obligation.
 - c. Settlement of an obligation to transfer, or the actual transfer of book- entry securities.

2. No transfer or settlement pertaining to the transactions referred to in item (1) of this article shall be cancelled, set aside, re-paid, reversed, or ceased, nor shall it be rectified, whether by a court judgement order, or by law.

Article (163)

Precedence of Implementation of Financial Market Infrastructures' Rules and Procedures, over the General Insolvency and Bankruptcy Rules and Procedures

1. None of the following operations and procedures carried out through Financial Market Infrastructures, which meet one of designation conditions referred to in item (2) of Article (157) of this decree-law, shall be regarded, as to any extent, invalid on the grounds of commencement of realization of assets of a Person under resolution, liquidation, insolvency, financial restructuring, or bankruptcy:
 - a. A Transfer Order.
 - b. Any disposition of property in pursuance of such Transfer Order.
 - c. The Default Arrangements of such infrastructures.
 - d. The rules of such systems as to the settlement of Transfer Orders not dealt with under their Default Arrangements.
 - e. Any arrangements for the purpose of realizing collateral security in connection with participation in such infrastructures, other than its Default Arrangements.
2. The relevant resolution administrator or insolvency officer or any Person appointed to manage the insolvency procedures in cases of bankruptcy or liquidation, shall not take any actions or procedures contrary to the provisions of this decree-law, or preclude or interfere with Default Arrangements of the infrastructures referred to in item (1) of this article.
3. An obligation arising out of a Transfer Order, which is the subject of an action taken under Default Arrangements of the infrastructures referred to in item (1) of this article, shall not be proved in resolution, bankruptcy, or liquidation procedures, until completion of the transfer or payment order, until the action taken under the Default Arrangements is completed.
4. A debt or other liability, which by virtue of item (3) of this article may not be proved, shall not be taken into account for the purposes of any set-off, offset, or net out of debt or

obligations until the completion of the action taken under the Default Arrangements of such infrastructures.

Article (164)

Netting of Obligations of Insolvent or Bankrupt Participants Parties

1. The operator of a Financial Market Infrastructure, which meets any of the designation conditions referred to in item (2) of Article (157), may effect Netting of all obligations owed to or by a Participant Person in this infrastructure, which incurred before the point of time where the Central Bank decides to put the concerned Participant Person under resolution in accordance with the provisions of articles nos. (142) and (143) of this decree-law, or the competent court has made an order for bankruptcy or liquidation of the concerned Participant Person.
2. In case Netting has been effected as provided in item (1) of this article, then:
 - a. The obligations that are netted shall be disregarded in the bankruptcy or liquidation rules and proceedings and
 - b. Any net obligations owed to or by the Participant Person that has not been discharged are payable to the Participant Person and may be recovered for the benefit of his creditors or are provable in the bankruptcy or liquidation, as the case may be.
3. Netting operations processed by the concerned infrastructure's operator in accordance with item (1) of this article shall not be cancelled during a resolution, bankruptcy or liquidation process, nor any financial transfers already paid in accordance with paragraph (a) of item (2) of this article.

Article (165)

Preservation of Rights in Underlying Transactions

1. Except to the extent that it expressly provides, this decree-law shall not operate to limit, restrict or otherwise affect:
 - a. Any right, title, interest, privilege, obligation or liability of a Person resulting from the underlying transaction in respect of a Transfer Order that has been entered into a Financial Market Infrastructure, which meets any of the designation conditions referred to in item (2) of Article (157).

- b. Any resolution procedures or measures taken by the Central Bank in accordance with the provisions of Articles nos. (142) and (143) of this decree-Law, or investigation, legal proceedings or remedy in respect of any such right, title, interest, privilege, obligation or liability.
2. Nothing in item (1) of this article shall be construed to require:
 - a. The unwinding of any Netting done by the operator of the concerned infrastructure, whether pursuant to its Default Arrangements or otherwise;
 - b. The revocation of any Transfer Order given by a Participant Person which is entered into the concerned infrastructure; or
 - c. The reversal of a payment or settlement made under the operating rules of the concerned infrastructure.

Article (166)

Obligation of a Participant Person to Notify in the Event of Bankruptcy or Liquidation

1. A Participant Person in a Financial Market Infrastructure, which meets any of the designation conditions referred to in item (2) of Article (157) shall notify the operator of the infrastructure or its Settlement Institution, the concerned regulatory authority, and the Central Bank, as soon as practicable if there comes to his knowledge any of the following events occurring whether inside or outside the State or in a Financial Free Zone:
 - a. Put under resolution.
 - b. Presentation of a plea for declaration of his bankruptcy or liquidation;
 - c. Issuance of a judgement for declaration of his bankruptcy or liquidation; or
 - d. The making of owners, shareholders, or management of a Participant Person voluntary winding up statement in his respect.
2. A Participant Person failing to notify of a relevant event referred to in item (1) of this article within the required timeframe is not in contravention if:
 - a. He took reasonable steps to comply with the provisions of item (1) of this article; or
 - b. The authorities and entities referred to in item (1) of this article were already aware of the relevant event by the time the Participant Person was required to notify the

operator of the infrastructure or its Settlement Institution, in accordance with the provisions of this article.

Part Five

Grievances and Appeals

Article (167)

Grievances and Appeals Committee

1. Under the provisions of this decree-law, an independent committee named 'Grievances and Appeals Committee' shall be established. The Cabinet shall issue a resolution, based on a proposal by the Board of Directors, establishing the committee's formation, duration, mandate, and all procedures and rules related to adjudication of grievances and appeals, including fees due for consideration.
2. In the formation of the committee, the presence of one or more judges and two experts with competence in matters related to the work of such committee.
3. Nominated committee members by the Board of Directors shall not be members of the Board of Directors, nor holders of any position at the Central Bank or at any of the Licensed Financial Institution.
4. The chairman of the committee or any of its members shall have no interest with any party to the dispute, otherwise he shall be required to disclose such interest, and in such case another member shall be temporarily appointed to hear the presented dispute.
5. With the exception of the regulations, directives, instructions, policies, and regulatory and supervisory decisions of a general nature, the committee shall have sole and exclusive jurisdiction to adjudicate on grievances and appeals against any decisions, procedures and measures issued by the Central Bank in accordance with the provision of this decree-law. For the purposes of exercising its powers, the committee may take all or some of the following actions:
 - a. Require any Person to appear before the committee to present and consider any evidence, testimony, information or statement.
 - b. Hear the testimony of any witnesses, it deems appropriate, under oath.
 - c. Commission any experts it deems appropriate to provide opinion on any matter relating to the dispute.

- d. Take whichever actions and issue directives it deems appropriate for discharge of its mandate.
6. A decision issued by the committee on the grievance or appeal shall be final and shall only be challenged at the Higher Federal Court within a period of twenty (20) working days from date of its notification. The Higher Federal Court may, upon request of the appellant, suspend the execution of the decision issued by the committee until it reaches its decision on the subject, if it deems that the appeal is based on genuine grounds and that execution of the committee's decision would result in irreversible consequences.
7. Appeals, before the Higher Federal Court, against decisions that fall within the competence of the committee in accordance with the provisions of this article shall not be accepted before being challenged or appealed before the committee, and the grievance is adjudicated as the case may be.
8. Should the committee decide to reject or not accept the grievance or appeal, it may impose on the applicant a fine, not exceeding one hundred thousand (100,000) Dirhams.
9. The committee may suspend the implementation of the decision being grieved or appealed, if it deems necessary, until it reached a decision on the dispute.
10. The grievance or appeal against any decision before the committee shall not be accepted after the lapse of twenty (20) working days from the date on which the concerned party was notified thereof or his knowledge of such decision is proven with certainty.

Part Six

Administrative and Financial Sanctions and Penalties

Chapter One

Administrative and Financial Sanctions

Article (168)

1. Without prejudice to other sanctions or procedures stated in this decree-law or any other laws in the State, and upon establishment of a violation by any Licensed Financial Institution, Authorized Individual, or Person carries on any of the Licensed Financial Activities without a license, of any of the provisions of this decree-law or the regulations, decisions, rules, standards, guidelines or instructions issued by the Central Bank in implementation thereof, including resolutions and standards issued by the Higher

Shari`ah Authority, or any measures taken by the Central Bank, including sanctions or procedures for countering money laundering, combating terrorist financing, the Central Bank may, at its own discretion, decide to impose one or more of the following sanctions or take any of the following measures:

- a. Issue, by any means, a caution to the violator.
- b. Require the violating Licensed Financial Institution to take necessary measures and procedures that the Central Bank deems appropriate to rectify the violation.
- c. Prohibit violating Licensed Financial Institution from conducting some operations, or carrying on some Licensed Financial Activities, or impose any restrictions, conditions or other limitations on all or certain operations and activities.
- d. Reduce or suspend the ability of the violating Licensed Financial Institution to participate in the Central Bank's open market operations or to avail its standing and liquidity insurance facilities.
- e. Remove any of the Authorized Individuals of such concerned institution.
- f. Prohibit, in respect of a (Re)Insurance Company, the conclusion of new insurance contracts or carrying on of one or more type of insurance.
- g. Set out, in respect of a (Re)Insurance Company, threshold limits for total amounts of Premiums that the concerned company receives from the Insurance Policies it issues.
- h. Restrict, in respect of a (Re)Insurance Company, carrying on any of the investment activities related to the Solvency Margin, or oblige the concerned institution to liquidate its investments in any of such activities for related purposes; unless the same would cause harm to the concerned company, as assessed by the specialized expert.
- i. Require the violating Licensed Financial Institution to deposit funds with the Central Bank without return and for the period the Central Bank deems appropriate, in addition to the credit balance referred to in Articles nos. (32), (92), and (113) of this decree-law, as the case may be.
- j. Impose a fine of four hundred (400) basis points over the prevailing 'Base Rate' of the Central bank on any shortfall referred to in Articles (32), (92), and (113) of this decree-law, as the case may be.

- k. Require the violating party to return to customers the funds it obtained as a result of its violation of the provisions of this decree-law, and any excess funds including revenue and profits shall devolve to the Central Bank.
 - l. Impose a fine on the violating party not exceeding ten (10) times the amounts of funds subject to the violation or unjust enrichment, as determined by the Central Bank.
 - m. Impose a fine on the violating Licensed Financial Institution not exceeding one billion (1,000,000,000) Dirhams.
 - n. Delink the violating Licensed Financial Institution from any of the Financial Market Infrastructures or any other services provided by the Central Bank to such institution.
 - o. Revoke the license of the violating Licensed Financial Institution and strike its name off the Register.
 - p. Impose conditions or restrictions on the license of the violating Licensed Financial Institution or the authorization of the violating Authorized Individual.
 - q. Impose a fine on the violating Authorized Individual not less than one hundred thousand (100,000) Dirhams and not exceeding five million (5,000,000) Dirhams.
 - r. Prohibit the violating Authorized Individual from undertaking any function at the Licensed Financial Institution he works for, or any other Licensed Financial Institution.
 - s. Impose a fine on any Person carrying on or promoting financial activities without a license, or undertaking a Designated Function without authorization, not less than one million (1,000,000) Dirhams.
 - t. Impose a fine on any Person who operates a financial infrastructure without a license, or violates the license limits, or any type of violation related to licensed Financial Market Infrastructure and Designated Infrastructure by the Central Bank, in accordance with the provisions of this decree-law, not less than one million (1,000,000) Dirhams and not exceeding twenty million (20,000,000) Dirhams.
 - u. Any other financial or administrative measures or sanctions issued by a decision of the Board of Directors. The decision shall specify the authority entrusted with imposing such sanctions or measures.
2. Decisions to impose the sanctions referred to under item (1) in this article shall be effected by the Governor except for the sanction stipulated in paragraph (o) herein shall be effected by the Board of Directors.

3. In all cases, the violating party shall be notified, officially, of the reasoned decision within fifteen (15) working days from date of its issue. Such notice shall include the following:
 - a. Content of the decision.
 - b. Reasons for the decision.
 - c. Effective date of the decision.
 - d. A statement advising the violator of its right to submit a grievance against the decision before the Grievances and Appeals Committee, in accordance with the provisions of this decree-law.
4. The Central Bank shall have the power to immediately enforce any administrative and financial sanctions and penalties it issues in accordance with the provisions of this decree-law. The Central Bank shall collect any fine imposed in accordance with provisions of item (1) of this article. Such imposed fines shall be automatically debited from accounts and guarantees of the violating Person, held with the Central Bank or with any Licensed Financial Institution.
5. Administrative fines collected by the Central Bank under this decree-law shall constitute resources of the Central Bank. Under no circumstances may any authority or entity in the State confiscate, reclaim, or reallocate such funds.
6. The Central Bank may, at its discretion, reach a reconciliation with the violating Person, in relation to any enforced fines, pursuant to the implementation of the provisions of this decree-law, pursuant to the measures and controls regulating settlement procedures issued by the Central Bank.
7. The Central Bank may publish decisions related to any violating Person or decisions taken in respect of licensing, authorization, mergers, acquisitions, restructuring, liquidation or dissolution of any Licensed Financial Institutions, Licensed Financial Activities, or designation of Authorized Individuals. Such decisions shall be published on the official website of the Central Bank, including the name of such violating Person, in accordance with the controls determined by the Board of Directors.

Chapter Two

Penalties

Article (169)

Without prejudice to any harsher punishment provided for in any other law, the offences referred to in the following articles shall be punishable by the respective penalties stated therein.

Article (170)

Any Person who engages in any of the Licensed Financial Activities referred to in item (1) of Article (61) of this decree-law without a license or authorization shall be punished by imprisonment and a fine of not less than fifty thousand (50,000) Dirhams and not exceeding five hundred million (500,000,000) Dirhams, or by either of these two punishments.

Article (171)

The following shall be punished by imprisonment and a fine of no less than one hundred thousand (100,000) Dirhams and no more than five hundred thousand (500,000) Dirhams, or by either of these two punishments:

1. Any employee or representative of the Central Bank, any member of the committees and advisory councils formed within the Central Bank, or any member of the Board of Directors who discloses any confidential information in violation of the provisions of Article (26) of this decree-law.
2. Whoever intentionally discloses the confidentiality of the data and information referred to in Article (147) of this decree-law.

Article (172)

Whoever issues Currency in violation of the provisions of this decree-law shall be punished by imprisonment for a period not exceeding (20) twenty years and a fine not exceeding one hundred million (100,000,000) Dirhams, or by either of these two punishments.

Article (173)

Whoever, publicly and intentionally mutilates, destroys or tears up Currency, shall be punished by imprisonment and a fine of not less than ten thousand (10,000) Dirhams, or by either of these two punishments.

Article (174)

1. Whoever contravenes the provisions of item (6) of Article (60) of this decree-law shall be punished by imprisonment and a fine not less than two hundred thousand (200,000) Dirhams and not exceeding ten million (10,000,000) Dirhams, or by either of these two punishments.
2. Whoever contravenes the provisions of item (7) of Article (60) of this decree-law shall be punished by imprisonment for a period not exceeding six (6) months and a fine not less than one hundred thousand (100,000) Dirhams, or by either of these two punishments.

Article (175)

Whoever violates the conditions and restrictions imposed on a license to carry on Licensed Financial Activities, shall be punished by imprisonment and a fine not less than two hundred thousand (200,000) Dirhams and not exceeding one hundred million (100,000,000) Dirhams, or by either of these two punishments.

Article (176)

Whoever contravenes the Central Bank's instructions regarding early intervention and resolution, referred to in Articles (142) and (143) of this decree-law, shall be punished by imprisonment, and a fine of not less than one hundred thousand (100,000) Dirhams and not exceeding ten million (10,000,000) Dirhams, or by either of these two punishments.

Article (177)

Whoever contravenes any of the provisions of Articles (67) or (121) of this decree-law shall be punished by imprisonment and a fine of not less than five hundred thousand (500,000) Dirhams and not exceeding ten million (10,000,000) Dirhams, or by either of these two punishments.

Article (178)

1. Whoever violates any of the provisions of Article (107) of this decree-law, shall be punished by imprisonment for a term of not less than one (1) year and a fine of not less than five hundred thousand (500,000) Dirhams.
2. An additional daily fine of fifty thousand (50,000) Dirhams shall be imposed for each day in case of continuing breach, provided that the total fine shall not exceed ten million (10,000,000) Dirhams.

Article (179)

Whoever commits any of the following violations shall be punished by imprisonment and a fine of not less than five hundred thousand (500,000) Dirhams, or by either of these two punishments:

1. Provides misleading or incomplete facts, information, or data in any statements or documents presented to the Central Bank.
2. Conceals any facts from the statements, information, minutes, papers, or other documents submitted to the Central Bank or to its representatives, employees, examiners, or auditors.
3. Destroys, mutilates or alters any document relating to a matter, which is the subject of examination or investigation by the Central Bank or sends, or causes to be sent out of the State such a document.
4. Obstructs, resists, or causes the delay of the conduct of examination or investigation by the Central Bank or the provision of information to the Central Bank.
5. Acts complicitly with another Person to commit any of the acts referred to in items nos. (1) to (4) of this article.

Article (180)

Whoever commits any of the violations relating to Financial Market Infrastructures referred to in item (1) of Article (161) of this decree-law shall be punished by imprisonment and a fine of not less than one hundred thousand (100,000) Dirhams and not exceeding ten million (10,000,000) Dirhams, or by either of these two punishments.

Article (181)

1. Where a violation was committed by a juridical person, the official in charge of management shall be punished by the same penalties prescribed for actions committed in violation of the provisions of this decree-law, whenever his knowledge of the violation was established, or if the violation was a result of his negligence or failure to perform his duties.
2. The juridical person shall be jointly liable with the manager in charge in respect of the adjudged financial fines and damages, if the violation was committed, in his name and on his behalf, by one of his employees.

Part Seven

General Provisions

Article (182)

Fees and Charges

The Central Bank may impose fees and charges for providing any service, including but not limited to, issuing licenses and authorizations, conducting oversight and supervisory, custody, payment, and settlement related-services, as deemed appropriate and in accordance with the nature and scope of functions, activities, and controls. A decision to such effect shall be issued by the Board of Directors and shall be published in the Official Gazette and the Central Bank's official website.

Article (183)

Enforceability of Applicable Regulations

1. Current regulations, decisions, standards, guidelines, and circulars, issued in accordance with the provisions of Decretal Federal Law No (14) of 2018, Regarding the Central Bank and Organization of Financial Institutions and Activities and amendments, and Federal Decree-Law No (48) of 2023, Regarding Regulating Insurance Activities shall remain in force, until such regulations, decisions and circulars are issued in replacement thereof.
2. Definitions and technical terms referred to in regulations, decisions, standards, guidelines, and circulars issued in accordance with provisions of the laws referred to in item (1) of this

article shall remain with the same meaning and interpretation until such regulations, decisions, and circulars are issued in replacement thereof.

Article (184)

Reconciliation of Positions

All agencies and Persons subject to the provisions of this decree-law shall reconcile their respective positions with its provisions, within a period of one (1) year from the date of entry into force of this decree-law. The Board of Directors may extend this period of time, as it deems appropriate.

Article (185)

Repeal of Conflicting Provisions

Any provision of applicable laws in the State contravening or conflicting with the provisions of this decree-law shall be repealed; and Decretal Federal Law No (14) of 2018, Regarding the Central Bank and Organization of Financial Institutions and Activities and amendments along with Decretal Federal Law No (48) of 2023, Regulating Insurance Activities shall be repealed.

Article (186)

Enforceability of Judgments of Foreign Judicial Authorities

Judgments and decisions issued by foreign judicial in respect of national Licensed Financial Institutions and branches of foreign Licensed Financial Institutions operating in the State shall apply, in accordance with applicable legal procedures of laws in force in the State.

Article (187)

Interpretation of Specific Terms Referred to in this Decree-Law

1. If there is a reference in any legislation in force in State to the 'dirham', the 'UAE dirham', 'currency', 'cash', 'money', or any similar term, this includes Currency in its digital form in accordance with the provisions of this decree-law, unless the context requires otherwise.
2. Virtual Assets as defined in applicable laws in the State, shall not be considered as Currency according to this decree-law. Where Virtual Assets and digital currencies are

used as a means or instrument of payment or exchange of a virtual assets for a currency, any regulations, standards, rules and guidelines issued by the Board of Directors in this regard shall be applied thereto.

3. Virtual Assets shall not be covered by the provisions of this decree-law if they are for investment purposes, the exchange of one Virtual Asset for another, or swap operations for trading purposes, and the legislation in force in the State shall apply thereto.
4. The Central Bank may issue a glossary interpreting the technical terms referred to in this decree-law. This glossary shall be published on its official website and in the official gazette.

Article (188)

Publication and Application of this Decree-Law

This decree-law shall be published in the Official Gazette, and shall come into force on the day following date of its publication.

Mohamed Bin Zayed Al Nahyan

President of the United Arab Emirates

Issued by us at the Presidential Palace – Abu Dhabi,

On: 16 Rabi' al-Awwal 1447 AH

Corresponding to: 08 September 2025 AD