

The Company obtained the Securities and Commodities Authority's final nod:

**Dubai Central Securities Depository L.L.C. (Dubai CSD) licensed as the first independent central securities depository service provider in the UAE**

- H.E. Essa Kazim: "The post-trade services' revamp further strengthens Dubai's leading position as a center of excellence and a dynamic capital markets hub"
- Maryam Fekri: "The licensing of Dubai CSD is an important milestone in the journey of developing post-trade services in the UAE, building upon DFM's successes in investor service"

**Dubai, 27 October 2019;** The Dubai Financial Market Company (PJSC) officially received the regulatory license from the Securities and Commodities Authority (SCA) for its new depository company, the Dubai Central Securities Depository L.L.C., as the first independent company for central securities depository services in the UAE under the SCA's Board of Directors' Decision No. (19/R.M) of 2018 concerning the regulation of the Central Depository Activity.



The establishment of the Dubai CSD is part of a comprehensive reorganization plan for DFM's post-trade services that further strengthens its leading position in driving the development of capital markets sector in the UAE and the region. Dubai CSD is currently in the process of getting its operational framework ready to enable it to start operations shortly. Once Dubai CSD goes operational investors will be able to utilize all depository related services including application for Investor Numbers (NINs), customer services, payment of cash dividend through the Dubai CSD.

The Dubai CSD is incorporated under the umbrella of the Dubai Central Clearing & Depository Holding (DCCD) (L.L.C), a holding company for post-trade services. DCCD is also the holding company of Dubai Clear (L.L.C) the Central Counterparty company, which is due to commence operations later this year upon receiving the regulatory approval from SCA.

His Excellency Essa Kazim, Chairman of the DFM Company (PJSC) said; "We are delighted to officially receive the SCA's license of Dubai CSD, as the first step in the broader plan to revamp the post-trade services in line with international best practices of capital markets and post trade services. We believe that the reorganization of DFM Company's business units creates a



solid foundation to achieve the objectives of our 2021 strategy aiming to strengthen DFM's active role in line with Dubai's status as a centre of excellence and a dynamic capital markets hub. The new structure reinforces our ability to anticipate and address potential challenges as well as seizing potential opportunities in this dynamic and rapidly changing sector globally that brings with it opportunities as well as challenges."

It is noteworthy that the Dubai Financial Market Company (PJSC) has announced the new organizational structure of post-trade services in March 2019 in conjunction with its 19<sup>th</sup> anniversary. The structure separates the post-trade services from the exchange services of listing and trading of securities in line with international best practices, global IOSCO standards and SCA regulations for post-trade services as well as the consultation with various stakeholders.

Maryam Fekri, **Managing Director of the Dubai Central Clearing & Depository Holding (DCCD)** and **Dubai CSD** said; "The licensing of Dubai CSD is an important milestone in the journey of developing post-trade services in the UAE building upon DFM's successes of superior customer service, which our market participants have experienced over the past years. Additionally, the



Dubai CSD being a separate legal entity provides enhanced protection to investor assets held with the depository. It also paves the way for the Central Counter Party (CCP) Company, Dubai Clear, as part of the DFM's post-trade reorganization plan. The DFM has already completed the formation of the Dubai Clear (L.L.C.) with Dubai's Department of Economic Development and is currently working on implementing the required technology upgrading as well as seeking the SCA's approval in order to commence operations officially later this year."

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**About Dubai Financial Market:** Dubai Financial Market (DFM) was established as a public institution with its own independent corporate body. DFM operates as a secondary market for the trading of securities issued by public shareholding companies, bonds issued by the Federal Government or any of the local Governments and public institutions in the country, units of investment funds and any other financial instruments, local or foreign, which are accepted by the market. The DFM commenced operations on March 26, 2000 and became the first Islamic Shari'a-compliant exchange globally since 2007. Following its initial public offering in November 2006, when DFM offered 1.6 billion shares, representing 20 per cent of its paid-up capital of AED 8 billion, DFM became a public joint stock company and its shares were listed on 7 March 2007 with the trading symbol (DFM). Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. [www.dfm.ae](http://www.dfm.ae)

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