Broker and Trading Rules

The Board of Abu Dhabi Securities Exchange (ADX),

Having perused the Federal Law No. (4) of 2000 concerning the Emirates Securities & Commodities Authority (ESCA) and ADX and its amendments;

The local law of the Emirate of Abu Dhabi No. (3) of 2000 on the establishment of Abu Dhabi Securities Exchange (ADX) and its amendments;

The regulations issued by the Securities and Commodities Authority (SCA), in accordance with the Federal Law No. 4 of 2000 concerning the Emirates Securities & Commodities Authority and the Market, and its amendments;

The SCA’s decision No. 27 of 2014 concerning Brokerage in Securities and its amendments;

The SCA’s decision No. 2 of 2001 concerning the Regulations as to Trading, Clearing, Settlement, Ownership Transfer and Custody of Securities and its amendments;

And the regulations, rules, decisions and instructions issued by the Board of Directors of ADX;

Resolved:

Article (1)
Definitions

The following words and expressions shall have the meaning set opposite each of them unless otherwise required for the context:

UAE The United Arab Emirates.
SCA The Securities & Commodities Authority.
ADX Abu Dhabi Securities Exchange (ADX).
Board ADX Board of Directors.
Chief Executive ADX Chief Executive.
<table>
<thead>
<tr>
<th><strong>Market Operations and Surveillance Department</strong></th>
<th>The ADX Operations and Surveillance Department (MOS).</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SCA's Regulations for Brokerage</strong></td>
<td>The SCA Board decision No. 27 of 2014 concerning Brokerage in Securities and its amendments.</td>
</tr>
<tr>
<td><strong>E-trading System</strong></td>
<td>The electronic trading system (X-Stream Nasdaq) in use at ADX.</td>
</tr>
<tr>
<td><strong>Securities</strong></td>
<td>Shares, bonds and promissory notes issued by joint stock companies; bonds and promissory notes issued by federal or local governments, public authorities and public organizations in the UAE; as well as any other local or non-local financial instruments acceptable to SCA. For the purposes of these rules, every financial instrument that can be listed and traded on ADX shall be deemed Securities.</td>
</tr>
<tr>
<td><strong>Brokerage</strong></td>
<td>Practicing Brokerage business to buy or sell Securities at ADX based on the provisions of the present law.</td>
</tr>
<tr>
<td><strong>Brokerage Firm (Broker)</strong></td>
<td>A juristic person licensed by SCA to practice Brokerage activities at ADX.</td>
</tr>
<tr>
<td><strong>Brokerage Firm as Trading Member</strong></td>
<td>A Brokerage Company which receives and records orders of purchasing or selling Securities to be executed in the Market without conducting clearing and settlement operations for these transactions.</td>
</tr>
<tr>
<td><strong>Brokerage Firm as Trading and Clearing Member</strong></td>
<td>A Brokerage Company which receives and records orders of purchasing or selling Securities to be executed in the Market and conducts clearing and settlement operations for these transactions.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Brokers' Representative</td>
<td>The natural person who is authorized by the SCA and appointed by the Broker to represent him in providing Securities Brokerage services at ADX and who is entered in the Brokers' Representatives Register.</td>
</tr>
<tr>
<td>Brokers’ Register and Brokers’ Representatives Register</td>
<td>The register held by ADX to keep all information related to Brokers and Brokers’ representatives operating at ADX.</td>
</tr>
<tr>
<td>Authorization</td>
<td>The request submitted by a Client to a Broker authorizing the Broker to buy or sell any security based on certain conditions set by the Client pursuant to these rules.</td>
</tr>
<tr>
<td>Order</td>
<td>Information sent to the E-trading System by the order operator, which, minimum, include Securities code, quantity, and required price, as well as the trading account number of the Investor, and time of entering the order.</td>
</tr>
<tr>
<td>Buy Order</td>
<td>The order sent to E-trading System to buy a certain security.</td>
</tr>
<tr>
<td>Sell Order</td>
<td>The order sent to E-trading System to sell a certain security.</td>
</tr>
<tr>
<td>Trading Session</td>
<td>The period during which transactions on securities are executed, through entering, modifying or cancelling orders, and executing transactions. Trading sessions are divided into several periods based on these rules.</td>
</tr>
<tr>
<td>Opening Price</td>
<td>The balance price between offered and ordered quantities calculated by the E-trading System upon entry, modification or cancellation of any order on the relevant Securities, in accordance with the calculation standards set out in these rules.</td>
</tr>
</tbody>
</table>
Closing Price: The balance price between offered and ordered quantities calculated by the E-trading System after the completion of the price ticks process, in accordance with the calculation standards set out in these rules.

Deal: Matching between a buy order with a sell order through the E-trading System in use at ADX.

Order Book: The register which includes all sell and buy orders for a certain security.

Regular Orders: Orders issued to buy or sell a specific security without conditions. These orders are given priority over special orders at the same price.

Special Orders: Orders issued to buy or sell a security under specific conditions.

Price Ticks: The rate of price increase or decrease under which orders and requests are raised or lowered.

General Index: A statistical tool used to measure the change in equity prices of listed companies weighed by the ADX value.

Article (2)

These Rules are issued in Arabic and translated into English. In the event of any discrepancy between the two languages, the Arabic version shall prevail, for the purpose of interpretation and implementation.

First: Brokers’ Rules

Broker Registration

Article (3)

For practicing Brokerage, licensed Brokers should be registered at the ADX according to the following conditions:

1) The Broker shall have a valid license issued by the SCA to provide Brokerage business.
2) The Brokerage Firm serving as Trading and Clearing Member shall provide a guarantee for the ADX according to the conditions and provisions set in the SCA's Regulations for Brokerage.

3) In case the Broker leases an office space related to the ADX, the Broker shall sign an agreement for a Brokerage office allocation with the ADX and shall pay the lease agreed upon.

4) Any other conditions, requirements or documents required by the ADX Board.

5) Pay the fees required as per the fees list approved by the ADX.

6) The Broker when registering for the first time shall continuously meet all registration conditions pursuant to the SCA's Regulations for Brokerage and the ADX rules.

Article (4)

1) The Broker registration request shall be submitted to the MOS on the related form along with an acknowledgment that all the information and data mentioned in the membership request and that all documents submitted are valid and complete and that the applicant is fully responsible for the validity and accuracy of all information, data and documents.

2) The ADX Board shall, based on the registration request that fulfills all conditions and requirements, register the Broker in the Brokers' Register.

Article (5)

1) The registration period shall be one (1) year ending in December of every year.

2) The first registration period shall start as of the registration date until the end of December in the same year.

Commencement of Brokerage Business

Article (6)

For the Brokers to commence business after registration in the ADX, the following conditions shall be fulfilled:

1) Complete the connectivity process with the E-trading System according to the conditions and requirements set by the ADX in this regard along with paying the fees required in light of the fees list approved by the ADX.
2) Obtain electronic accesses to the E-trading System and E-clearing System as Users along with paying the fees required in light of the fees list approved by the ADX.

The Broker shall set the date to commence providing Brokerage business after meeting all conditions and requirements.

**Renewal of Broker Registration**  
**Article (7)**

The Broker shall abide by submitting the registration renewal request at least one (1) month before the end of the registration period. To renew the registration, the following conditions shall be fulfilled:

1) The Broker shall be a holder of a valid Brokerage license issued by the Authority;
2) Provide the ADX with any modification of the information or data mentioned in the Broker registration request.
3) Any other conditions, requirements or documents required by the ADX Board.
4) In case the Broker leases an office space related to the ADX, the Broker shall sign an agreement for a Brokerage office allocation with the ADX and shall pay the lease agreed upon.
5) Pay the fees required as per the fees list approved by the ADX.

The ADX may suspend the Broker from trading in case the Broker fails to submit a complete registration renewal request or fails to pay the due fees within the specified period.

**Temporary Suspension or Cancelation of Broker Registration**  
**Article (8)**

1) The ADX Board shall temporarily suspend the Broker Registration upon its request and after the SCA's approval of the temporary suspension of the Broker. The Broker shall not be entitled to redeem the fees and lease value in consideration of the temporary suspension period.
2) The ADX Board shall cancel the Broker Registration based on the SCA decision on revoking the license of such Broker. The redemption of fees and lease value shall be based on the fees list approved by the ADX.
Financial Solvency
Article (9)
The Broker shall always keep the financial solvency required for providing Brokerage services so as to fulfill the obligations thereof pursuant to the standards issued by the Authority and the ADX in this regard.

Compliance
Article (10)
The Broker shall comply with the provisions of the applicable laws as well as the regulations, rules, decisions and circulars issued by the Authority and the ADX.

Providing the ADX with Reports, Documents and Information
Article (11)
The Broker shall provide the ADX with the following reports, documents and information:

1) Preliminary statements (quarterly and semiannual) audited by the Firm's external auditor within 45 days from the end of the specified fiscal period and audited by the Board Chairman or the General Manager – as the case may be – or by the authorized signatory.
2) Audited annual financial statements audited by the Firm's external auditor within 90 days from the end of the specified fiscal period and audited by the Board Chairman or the General Manager – as the case may be – or by the authorized signatory.
3) Any approvals issued by the Authority or any other competent authority with regard to:
   A) Adding a new activity to the commercial license, omitting or modifying an activity or any other approval issued by the Authority to practice any activity related to financial services.
   B) Amending the Brokerage Firm's Articles of Association or Memorandum of Association.
   C) Increasing or decreasing the Brokerage Firm's capital.
   D) Making mergers or acquisitions
   E) Changing the address, headquarters or branch address of the Brokerage Firm.
   F) Changing partners or modifying their ownership in the Brokerage Firm.
4) Any other financial data or reports required by the ADX.
5) Any other information or documents required by the ADX for the purposes of surveillance of trading, investigation of violations or complaints, or management of transactions.

Second: Trading

Trading through Brokers
Article (12)

1) Securities on the ADX shall be traded under contracts that are concluded between the Brokers for their own benefit or for the benefit of their Clients.
2) Trading transactions at the ADX shall be proven by the E-trading System outputs.
3) The E-trading System outputs shall be deemed a legal evidence on the trading transactions stated, unless proven otherwise.

Article (13)

(1) No Broker shall trade in Securities in favor of any of the Clients thereof except after concluding an agreement therewith to prove the rights and obligations of both parties.
(2) No Broker shall dispose of the cash and Securities owned by any of the Clients thereof except in accordance with the provisions of the legislations, regulations, rules and provisions of the agreements signed with the Clients.
(3) The Broker shall include in the agreement concluded with the Client thereof any information, data or conditions required by the applicable legislations, laws and rules which at least shall include the following:
   A) The name and address of the Broker and Client.
   B) A list of services to be submitted to the Client by the Broker.
   C) The commissions to be received by the Broker from the Client
   D) The types of Authorizations under which the Broker may execute the Client Orders.
   E) A permission of the risks of Securities investment as stated by the Authority.
   F) The Client information as decided by the ADX including without being limited to the Client income, job and investment goals.
(4) The Broker may not under any agreement concluded thereby restrict the obligations thereof specified by the applicable legislations or may not obtain an exemption from such obligations. Any other condition shall be invalid.
(5) Any condition in the Client agreement in breach of the applicable legislations shall be deemed invalid.
Authorization Issued by the Client

Article (14)

1) No Broker shall enter Buy or Sell Orders in favor of a Client thereof except after obtaining an Authorization from the Client to take such action.

2) The Client Authorization shall be in writing, and may be given by a telephone or in the form of a fax or an email, and may be in the form of a letter or electronic information that are sent or delivered by any electronic means or telecommunications means such as smartphone applications.

3) The Broker shall bear the burden of proving that the Broker obtained an Authorization from the Client and shall bear the burden of keeping and archiving any documents, records, or electronic or written information exchanged with the client thereof for a period that is no less than (10) years or any other documentary cycle prescribed by effective laws. The Broker shall be responsible without limitation for the following:
   A) Obtaining the Client signature on the written Authorization Form and keeping photocopies of the written Authorizations
   B) Recording and archiving the phone calls and Authorizations given by phone.
   C) Ensuring the validity of the Authorizations given by fax, email or broker's website, and keeping and archiving such Authorizations.
   D) Keeping and archiving the electronic letters, documents, records or information as per the conditions set by the applicable laws concerning electronic transactions.
   E) Agreement and electronic register of using electronic systems and smart phone applications.

4) The Authorization shall include the name of the Client, name of Security, type of transactions (sell or buy), the number of Securities, price, the Authorization date, time and validity period in addition to the Order type.

5) The Broker shall enter the Buy and Sell Orders in the E-trading System upon receiving the related Authorizations provided that the entry shall take place according to the priority of Authorizations received.

6) The price in the Authorization shall be at a specific price that cannot be raised in buying or decreased in selling, or The Authorization shall be at the ADX price.

Right to Access the E-trading System

Article (15)

1) The ADX shall give the right to access the E-trading System to the Representatives of:
   A) The Broker.
   B) Market maker (liquidity provider)
C) Any other licensed authority that is granted access by the ADX.

2) No natural person shall enter or send Buy or Sell Orders to the E-trading System unless such person has the right to access from the ADX.

3) The parties mentioned in Item (1) above may use any other electronic means or program that enters or sends the Orders to the E-trading System on condition of abidance by the regulations set by the ADX in this regard and may grant the access to such electronic means or program to the Representatives or Clients thereof.

4) The person entering or sending the Order as stated in Item (1) above shall be responsible for all Orders entered into the E-trading System. In all cases, such person shall be accountable for the violation of the ADX rules and e-trading requirements.

Notifying Clients of Executed Transactions
Article (16)

The Broker shall notify the Client of the following:

A) The transactions executed in favor of the Client, such notification shall be in the time and by the means agreed upon by both parties. In case there is no agreement, the Broker shall abide by the time and means recognizable in capital ADXs.

B) The transactions not executed for the Client upon the termination of the Authorizations granted to the Broker.

Obligations of the Broker toward Client Orders
Article (17)

If the Broker has an interest in the transaction to be executed in favor of the Client or has any link to the said transaction which may lead to a conflict of interest, the Broker shall take the appropriate procedures that ensure the Client interest and fair treatment, which shall include informing the client of the broker's interest. The client has the right to refuse the transaction.

Article (18)

1) In case any Order is executed in breach of the laws, regulations and ADX rules, articles of associations of the issuer, or in breach of the Authorization issued by the Client, ADX has the right to order the Broker to resell or repurchase the said Securities or any part thereof to return to the previous condition before executing the breaching Order.
2) In case a profit is made from the resale or repurchase transaction according to paragraph (1)/18, the Broker shall abide by transferring such profit to the ADX. In case a loss is incurred, the Broker shall incur the same. The Broker may have recourse against the client, if it is proved that breach was caused by the client.

3) Taking the procedures stated in paragraphs 2 and 3/18 shall not prevent the Authority or ADX from taking any disciplinary procedure against the breaching Broker as per the regulations and rules.

Article (19)

1) The Broker shall ensure that the Client thereof already owns the said security before entering the Sell Order. The transactions that take place according to the SCA's Regulations for Short-selling of Securities shall be excluded from the previously mentioned.

2) The Broker shall pay the Client thereof the value of the sold Securities less the commissions and fees due during the period agreed between both parties.

3) The buying Client shall abide by paying the value of the Securities bought in favor thereof before the execution of the buy transaction. The Broker may assuming full responsibility execute before the Client payment. The transactions that take place according to the SCA's Regulations for Margin Trading shall be excluded from the previously mentioned.

4) If the buying Client fails to pay the value of the purchased Securities plus the accrued commissions during the settlement period, the Broker may sell the said Securities in a period of one business day maximum from the settlement date and after ADX approval. In case a profit is made from the sell transaction, the Broker shall abide by transferring such profit to ADX, the amount to be dedicated for Investor Protection Fund. If a loss is incurred, the Broker shall incur the same.

Cash Dealing with Clients
Article (20)

The Broker shall, when having cash dealings with the Clients thereof, comply with the laws, regulations, decisions, circulars and rules applicable in the UAE concerning money laundry and terrorism finance.
Official Trading Days
Article (21)

1) The Board, after the Authority's approval, shall set the official trading days at the ADX and trading session times.
2) ADX Board, after the Authority's approval, shall set official holidays and the dates of trade resumption.
3) ADX Board shall announce the decisions related to trading days, sessions and holidays.
4) ADX shall notify the Brokers and financial institutions operating in the ADX immediately in case there is any change in the timetable of trading sessions due to emergencies.

Price Limits and Circuit Breaker
Article (22)

1) The Board shall specify the rise permitted for a specific Security from the previous close and also the decrease permitted for a specific Security from the previous close on the same trading day and after obtaining the Authority's approval.

Article (23)

ADX Board shall set the Circuit Breaker procedures under which the MOS shall have the right to manually or automatically suspend trading on a specific Security for a specific period if the price thereof records a certain drop during the same trading session.

Article (24)

ADX Board may cancel the effect of any transaction when calculating the closing price of a specific Security if the execution of such transaction was aimed to impact the closing price of such Security.

Broker Trades for its own Account
Article (25)

All Representatives and staff of the Broker shall not trade in the Securities listed on the ADX except through the Broker for whom they work. ADX management may waive certain cases from the provision of this article.
Article (26)

1) The Brokerage Firm shall not trade on the Securities in its name and own account except after obtaining the approval of the Authority pursuant to the provisions, conditions, and procedures stated in the Authority Brokers System.

2) The Brokerage Firms may not trade in the Securities except through the Investor number at the clearing house which is allocated for the purposes of Brokerage Firm's trading in its name and for its own account. This shall be through trading accounts at the Brokerage Firm itself.

3) The Brokerage Firm that trades in Securities in its name and for its own account shall refer to same in the Client agreement.

Request for Modifying Entered Account Number

Article (27)

1) The Broker may request modifying the trading account in a specific Deal when an error takes place upon entry in the E-trading System.

2) The Operations and Surveillance Department may take all the procedures and request all the documents that are deemed fit to ensure that the reason for modification is an error upon entry in the E-trading System.

3) The modification request shall be submitted within 30 minutes from the close of trading session. When necessary, the ADX may approve the modification request after the said time.

The Broker shall be subject to accountability and regulatory procedures if the MOS finds that the modification request was not made because of an entry error and that the request was aimed to make gains or avoid losses for the Broker or the Client. The ADX may return to the previous condition before making such modification.

ADX Cancelation of Orders or Transactions

Article (28)

1) The ADX Board has the right to cancel any Order or Deal when there is a technical glitch in the ADX electronic systems, especially if the prices or quantities of such Orders lead to suspending trading on any listed Security.

2) The ADX shall assume no responsibility for compensating any Broker or Investor as a result of canceling any Order or Deal according to the provisions of Article 28/1.
ADX Exemption from Responsibility
Article (29)

The ADX shall assume no responsibility for any damages or losses incurred by any registered Broker or Investor as they deal or use any of the facilities or services provided by the ADX, and the ADX particularly shall assume no responsibility in any of the following cases:

A) The Broker fails to access the E-trading System
B) The Broker fails to use any of the ADX electronic systems
C) The late availability of the information related to the prices and quantities of traded Securities to the Brokers and Investors.

ADX Trading Procedures
Article (30)

The Broker shall comply with all technical, administrative and regulatory procedures set by the ADX to regulate the trading process in the ADX.

Third: Rules for Using E-trading System

 Tradable Securities
Article (31)

The listed Securities shall be traded in any of the following ADXs:

1) The stock ADX of public joint stock companies and dual listings.
2) The stock ADX of private joint stock companies.
3) The debt instruments ADX, i.e. bonds, sukuk and treasury notes.
4) The fund units ADX, i.e. investment funds and exchange-traded funds (ETFs).

Trading Session
Article (32)

The trading session for each ADX shall be divided as follows:

1) Pre-opening (Price Ticks) period
2) Opening period
3) Ongoing trading period
4) Closing (Price Ticks) period
5) Closing period

The debt instruments ADX and fund units ADX shall be exempted from the above, as the trading session is the ongoing trading period only.

Trading Session Rules
Article (33)

1) Securities are traded in the ADX within the price range defined by the Board of Directors.
2) If a Security is ordered at the maximum allowed price with no corresponding offers, or if a Security is offered at the minimum allowed price with no corresponding Orders, and with no Deals made over two consecutive sessions, the Order prices (maximum/minimum) will be deemed as reference closing price until price fluctuation is calculated.
3) Price limits are not applicable to a Security at its first trading session in the ADX, so that the price shall be floated for (3) trading sessions starting from the listing date. The share closing price at the first session shall be the reference price to calculate the change limits on the opening of the second session. The ADX Board may decide to float the Security for a shorter period than above mentioned, or to not to float the Security if such decision will ensure the price stability of the Security or Investor interest in the ADX.

Article (34)

1) During the pre-opening period and the pre-closing period, Orders may be entered, modified or cancelled and the available information may be reviewed through the E-trading System. Unexecuted and valid Orders from the previous day may also be carried forward during this period.
2) During the pre-opening period and the pre-closing period, the E-trading System shall arrange the Orders entered to the System in accordance with the established priority rules. No trades shall be executed at this stage. The E-trading System calculates the opening or closing price of the each traded Security.
3) All Buy Orders entered during the pre-opening period shall be shown at a price equal to, or higher than, the opening price; whereas sell orders entered at a price equal to, or less than, the opening price shall be shown at the opening price calculated by the E-trading System.
Article (35)

1) Executable quantities shall be executed during the opening period at the opening price calculated by the E-trading System. Unexecuted Orders or the balance of partially executed Orders shall be carried forward to the ongoing trading period.
2) Executable quantities shall be executed during the closing period at the closing price calculated by the E-trading System.

Article (36)

During the ongoing trading period, Buy and Sell Transactions of Securities are executed continuously. A Broker may enter Orders and finalize Deals if there is a match in terms of the prices and any other conditions. The Broker may also modify, cancel, suspend or activate any unexecuted or partially executed Orders, as follows:

A) If a Buy Order is entered at a price equal to, or higher than, the price shown on the sell side; or a Sell Order is entered at a price equal to, or less than, the price shown on the buy side during the ongoing trading period, execution shall be made at the price shown on the other side.
B) If a Buy or Sell Order is entered for an executable quantity at more than one price (at the other side) during the ongoing trading period, such order shall be executed in accordance with the existing price chain on priority basis until the total quantity is executed. If the Order is not executed in full, the unexecuted quantity shall remain in the Orders Register of the E-trading System, at the last executed price.

Article (37)

During the closing period data and information are reviewed, inquiries are made and necessary reports are printed. At this stage, a Broker may not modify or cancel existing orders or enter new Orders.

Opening and Closing Prices

Article (38)

1) The opening and closing price shall be calculated in accordance with the following criteria:
   A) The price which provides the highest executable trading quantity. If more than one price satisfies this condition, please refer to Clause B of this Article.
   B) The price which provides the lowest un-executable trading quantity. If more than one price satisfies this condition, please refer to Clause C of this Article.
C) The price which provides the least possible change in the closing price for the previous trading day. If more than one price satisfies this condition, please refer to Clause D of this Article.

D) The highest price.

2) On calculating the opening and closing prices, quantities of all Orders entered into the E-trading System including the un-disclosed quantities, shall be taken into consideration.

Orders
Article (39)

Orders shall be subdivided in terms of price, into the following types:

1) Limit Order: An Order to buy or sell a given number of Securities at a specific price

2) ADX Order (MKT): An Order entered to the E-trading System to buy or sell some Securities at ADX price, as follows:
   A) If an ADX Order is entered to the E-trading System, execution shall be made at the best price on the opposite side. In case of partial execution, the balance quantity shall be displayed at the last executed price.
   B) An Order is executed at the ADX price within a price range not exceeding 20 PriceTicks.
   C) If an Order is entered at the ADX price and no orders are shown on the other side, the quantity shall be shown at the best price on the entry side, and shall have priority for execution at such price.
   D) If an Order is entered at the ADX price and no Orders are shown on either side, the quantity shall be shown at the last trading price.
   E) No Order may be entered at ADX price during the pre-opening period and pre-closing period.

3) Unpriced Order: An Order entered to the E-trading System to buy or sell some Securities without specifying the price.
   A) The unpriced Order shall be executed on the best price available on the other side. In case of partial execution, the balance quantity shall be shown at the execution price.
   B) If an unpriced Order is entered during the pre-opening period, it shall be shown at the best price on the other side.
   C) An unpriced Order during the pre-opening period and the ongoing trading period shall be declined unless Orders are posted on both the demand and supply sides.
   D) If there is a one-sided corresponding ADX, the Order price during the ongoing trading period shall be the best ADX price.
E) If there is a one-sided corresponding ADX on the same side, the Order price during the ongoing trading period shall be the best ADX price.

F) If there is a two-sided ADX, the Order price during the ongoing trading period shall be the best corresponding ADX price.

Article (40)

Orders entered into the E-trading System shall be subdivided, in terms of validity period as follows:

1) Day Order: Valid until the close of trading session in the trading day during which the Order was entered.

2) “Fill or Kill” (FOK) Order: This type of Orders is entered only during the ongoing trading period whereby the possible quantity is executed at the specified price instantly, and the balance quantity is cancelled in case of partial execution.

3) Good till Date (GTD) Order: An Order that whose validity period is limited to the business day on which the Order is entered.

Article (41)

Special Order means an Order whose execution is subject to satisfaction of one or more specific conditions. Special Orders, which may be entered in the E-trading System, are divided as follows:

A) All or None (AON): The total quantity of these Orders shall be executed. An Order may not be partially executed.

Minimum Fill (MF): A minimum number of Securities must be executed before it is possible to trade the Order. It is possible to have more than one corresponding Order for every partial trade. Following execution of the minimum fill or more, the minimum fill requirement is rescinded and the Order is transferred to regular Orders Register.

B) Minimum Block (MB): Securities are executed, jointly or severally, in specific blocks (groups) provided that the quantity requirement shall remain applicable to Orders during the subsequent trading transactions until the full quantity is executed. If the balance quantity is less than the minimum requirement, the Order shall become an AON Order.
Article (42)

1) The Order entered to the E-trading System, but not matched instantly, shall be posted on a waiting list in the relevant company's Orders Register in accordance with the priority rules set out in Article 42/2 and 3.
2) Orders are arranged in a waiting list in the company's Orders Register in a descending order in terms of priority, subject to the following:
   A) Best price
   B) Time priority
3) Special Orders are kept in the Special Orders Register, separated from the Regular Orders Register. Multiple Special Orders at a single specific price shall be arranged according to time priority compared to each other.
4) Regular Orders shall have waiting priority over Special Orders at the same price.

Article (43)

A Broker may modify details of an Order entered in the E-trading System, but not fully executed or cancelled, in accordance with the following:

A) When entered to the E-trading System, an Order loses its priority and acquires a new priority if the Order price is modified or if the disclosed quantity is increased or any special condition is added or deleted.
B) When entered to the E-trading System, an Order does not lose its priority if the disclosed quantity is decreased or the un-disclosed quantity is modified or the validity period is changed.
C) The Security name, the Order type (Sell or Buy) and the trading account No. may not be amended; as in such case the Order shall be cancelled and reentered anew.
D) An Order is not written off the Order Book during the Order amendment, and thus it may be traded while being amended.

Article (44)

Orders in the Order Book are executed subject to the following priorities:

A) Best price: Orders with the best price shall have priority upon execution.
B) Regular Orders prior to Special Orders: Special Orders shall have second priority following the Regular Orders entered at the same price. Special Orders shall be tradable along with Regular Orders. When a Regular Order satisfies the matching conditions with several other Special Orders, matching is tried with the first Order in the waiting list. If the first Order conditions are not satisfied, matching shall be tried with the next Order in the list.
C) Source of Order: The Client’s Order shall have priority over Orders entered in favor of the Broker’s portfolio, investment fund, specialists or ADX / Broker’s staff or any other source.

Order entry time: Orders are arranged in time serial Order by placing the Order which holds the earliest time stamp first, on first in first out basis.

Pricing and Price Ticks

Article (45)

1) ADX-listed Securities shall be priced in UAE dirham and in the Price Ticks specified in these rules.
2) Orders must be entered within the framework of the Price Ticks specified by the ADX and set out in the following table:

<table>
<thead>
<tr>
<th>Price Range per Security (AED)</th>
<th>Price Ticks (AED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>To 0.01 From 10.00</td>
<td>0.01</td>
</tr>
<tr>
<td>10.05 From 100.00</td>
<td>0.05</td>
</tr>
<tr>
<td>100.10 Above</td>
<td>0.10</td>
</tr>
</tbody>
</table>

3) Price Ticks in the debt instruments ADX shall be 0.01%.
4) The ADX Board may set Price Ticks other than those stated above.
5) The ADX Board may approve to price the Securities with ay currency other than the Emirati dirham if such Securities are issued in that currency. The Price Ticks above shall be applied to any other currency at which the listed Security is evaluated, unless the ADX Board decides otherwise.

Orders of Undisclosed Quantities

Article (46)

A Broker may specify in the Order, the total number of shares or any lesser quantity shown in the Order Book, and hide the rest. Following are the conditions and procedures for Orders with un-disclosed quantities:

A) An undisclosed Order may not be entered if the total quantity of the Order is less than fifty thousand (50,000) Securities; provided that the disclosed quantity shall not exceed 50% of the total.
B) Undisclosed quantities shall only be viewable to the Broker who entered the Order and the MOS only. Disclosed quantities shall be accessible to other Brokers.
C) Undisclosed quantities shall be marked with a special code (u) appearing besides the disclosed quantity.
D) If a disclosed quantity is executed partially, another part of the undisclosed quantity shall be transferred automatically if there are no other Orders at the same price in the Regular Order Book. If further parts of this quantity are transferred, the priority of the Order with undisclosed quantity shall be rearranged.

E) If a part of a disclosed quantity is executed and a disclosed quantity remains unexecuted, no further parts of the undisclosed quantity shall be transferred automatically if there are other Orders at the same price in the Regular Order Book. If further parts of this quantity are transferred, the priority of the Order with undisclosed quantity shall be rearranged.

F) If an Order quantity is decreased to lower than the minimum allowed for the undisclosed quantity, the quantity code referred to in Clause “c” here-above shall disappear.

G) Changes in the disclosed quantity shall not lead to change of the total Order quantity.

H) Increase of the disclosed quantity shall result in a new time stamp for the Order and a new priority in the waiting list.

I) Decrease of the disclosed quantity shall not result in changing the time stamp for the Order and the priority in the waiting list shall be for the original Order.

J) A new time stamp shall be affixed on Orders with undisclosed quantity each time when more Securities are transferred (added) from the undisclosed quantity to the disclosed quantity.

Dealing in Debt Instruments
Article (47)

1) Debt instruments are traded through Brokers.
2) Debt instrument trading unit shall comprise one instrument based on its nominal value in each issue. A single Deal shall be made of one unit or multiples thereof.
3) Prices shall be shown on the E-trading System against Buy or Sell Orders at the unit price without any accumulated interest. Buyers shall pay the value of the bought units at their ADX price plus the accumulated interests until settlement date.
4) Buyers do not get any interest when buying any notes during the interest ex-date period.
5) The E-trading System calculates the accumulated interest against debt instruments until settlement date.
6) Public auction procedures shall be applied to fix the debt instruments prices in accordance with the supply and demand rules, and within the applicable price ranges.
Big Block Deals
Article (48)

Despite these rules, a Broker may execute the Deal through the window allocated in the E-trading System for big block Deals, as per below mentioned requirements:

A) Obtaining approval from MOS after filling the big blocks Deal request form.

B) The execution of the Deal does not violate the Authority regulations or ADX rules.

C) The execution of the Deal does not violate the Article of Association of the Company in respect of ownership limits.

D) The percentage of Securities to be traded is equal to or more than (1%) of the Issuer's capital.

E) One side of the Deal must be one person while the other side can be up to a maximum of ten (10) persons. ADX, in cases it deems necessary, may waive the transaction from this condition.

F) The execution of the big block Deal can be at a price higher or lower than a maximum of (25%) of the closing price from the previous trading session.

G) Trading commissions of big blocks trades are calculated based on execution price or on the company's stock closing price from the previous trading session, whichever is higher.

H) Big blocks Deals shall not affect the closing price of the listed company or the price index. Big blocks Deals do not affect the highest & lowest price executed during the trading session or during the last (52) weeks.

I) Big blocks Deals are subject to disclosure procedures adopted by the ADX.

J) ADX shall notify the Authority's MOS of the details of the big block Deals executed.

ADX management may waive the transaction from the limits mentioned in above sub-articles (D, E and F), whenever it deems that necessary to preserve the interests of tradings and the parties of the transaction.

Modification of Reference Closing Price
Article (49)

1) The ADX Board shall modify the reference closing price for the stocks in the following cases:

A) Increasing the number of issued shares as a result of listing bonus shares. The reference closing price shall be modified as follows:

The modified reference closing price = (the ADX value of the shares issued before listing the bonus shares + the ADX value of the bonus shares) ÷ (the number of shares issued before listing the bonus shares + the number of bonus shares).

B) Increasing the number of issued shares on issuing capital increase shares. The reference closing price shall be modified as follows:
The modified reference closing price = (the ADX value of the shares issued before listing the capital increase shares + the ADX value of the capital increase shares) ÷ (the number of shares issued before listing the capital increase shares + the number of capital increase shares).

C) Stock split. The reference closing price shall be modified as follows:

The modified reference closing price = (the stock closing price) x (the number of shares issued before stock split ÷ the number of shares issued after the stock split).

2) The ADX Board shall not modify the reference closing price in case of increasing the number of the issued shares due to convertible bonds.

3) The ADX Board shall float the stock price for one trading session in the following cases:
   A) Decreasing issued capital through share cancelation.
   B) Decreasing issued capital through par value reduction.

The ADX Board may decide not to float the stock price if such decision will ensure the price stability of the Security or Investor interest in the ADX.

Article (50)

Any clause that is in violation of the provisions of these rules in the ADX laws, rules and decisions shall be superseded.

Article (51)

The present rules shall enter into force on the following day of issuance by the ADX Board.

Hamad Al Shamsi
Chairman of the Board

/ Signed /