



# Nasdaq Dubai Business Rules

## Rulebook 4

### Disciplinary Committee and Appeals Committee Procedures

**For more  
information**

**Nasdaq Dubai Ltd**  
Level 7 The Exchange Building No 5  
DIFC PO Box 53536 Dubai UAE  
+971 4 305 5455

**Concerned department:**  
Legal and Regulatory  
[Nasdaqdubai.compliance@nasdaqdubai.com](mailto:Nasdaqdubai.compliance@nasdaqdubai.com)

[nasdaqdubai.com](http://nasdaqdubai.com)

# Contents

<b>Disciplinary Committee .....</b>	<b>3</b>
1. Disciplinary Proceedings.....	3
2. Appointment of a Disciplinary Committee.....	3
3. Procedure for Disciplinary Proceedings .....	4
<b>Appeals Committee .....</b>	<b>5</b>
4. Notice of Appeal.....	5
5. Appointment of an Appeals Committee.....	5
6. Procedure for Appeals.....	6

# Disciplinary Committee

## 1. Disciplinary Proceedings

- 1.1 Disciplinary proceedings may include matters as to conduct or omission by a Member or Issuer or any Persons employed by or contracted to a Member or Issuer, or directors, partners or officers of a Member or Issuer.
- 1.2 Nasdaq Dubai may, in its sole discretion and after making such enquiries it deems fit, bring disciplinary proceedings against a Member or Issuer if in the opinion of Nasdaq Dubai that party has or may have contravened the Rules. Nasdaq Dubai institutes disciplinary proceedings by referring a matter to a Disciplinary Committee.
- 1.3 A referral to the Disciplinary Committee will be considered in accordance with these Rules.
- 1.4 The Disciplinary Committee may, by written notice signed by its chairman or by any person nominated by its chairman to act as its secretary, require any director, partner, officer, employee, consultant or contractor of a Member/Issuer to attend and give evidence before it at the hearing of a matter and/or to produce for inspection all books, records, tapes, documents, and any information held on any other media that are in the custody or under the control of the Person relating to the matter of any such proceedings.
- 1.5 Nothing in these Rules shall limit the right of any Member or Issuer against whom disciplinary proceedings have been commenced or are to be commenced to seek any other remedy provided by the laws of the DIFC.

## 2. Appointment of a Disciplinary Committee

- 2.1 Nasdaq Dubai shall appoint a Disciplinary Committee from the Practitioner Committee. The Disciplinary Committee shall consist of an independent member of the Board who shall act as the chairman, two directors or partners of Member (neither of whom shall be a member of the Board) and two independent members of the Practitioner Committee (neither of whom shall be a member of the Board or a director, partner or employee of a Member).
- 2.2 No member of the Practitioner Committee who is concerned or implicated in a matter shall be appointed to sit on a Disciplinary Committee for proceedings in that matter.
- 2.3 After being advised of a matter forming the basis for disciplinary proceedings, any member of the Disciplinary Committee, not disqualified from being appointed pursuant to Rule 2.2, shall declare as soon as practicable any interest which they may have in such matter or any connection with any of the parties involved in such matter. Nasdaq Dubai, in its sole discretion, will determine whether the interest disqualifies the Disciplinary Committee member from sitting on a Disciplinary Committee.
- 2.4 The expenses of the Disciplinary Committee shall be determined by and paid by Nasdaq Dubai.
- 2.5 The quorum for a meeting of the Disciplinary Committee shall consist of the chairman, one director or partner of a Member and one independent member of the Practitioner Committee.

### 3. Procedure for Disciplinary Proceedings

- 3.1 The Disciplinary Committee shall give at least fourteen (14) days notice to the Member/Issuer, against whom disciplinary proceedings have been instituted, specifying details of the matter and the date, place and time of the meeting of the Disciplinary Committee called to consider that matter. The Disciplinary Committee may schedule an earlier or later hearing by agreement with the Member/Issuer.
- 3.2 Except as otherwise provided in these Rules, the order of proceedings shall be at the discretion of the Disciplinary Committee.
- 3.3 Nasdaq Dubai shall present its case at the hearing.
- 3.4 The Disciplinary Committee may require evidence to be given either orally or in writing and may require any evidence to be verified by statutory declaration. It shall be a breach of these Rules if a Member/Issuer, without lawful justification, refuses or fails to:
  - a) attend and give evidence when required to do so by the Disciplinary Committee; or
  - b) answer truthfully and completely any question put to it by a member of the Disciplinary Committee; or
  - c) produce to the Disciplinary Committee any book, tape, document, paper or other record (in whatever medium) required of it.
- 3.5 The chairman of the Disciplinary Committee may require that any oral evidence be received only after the witness has taken an appropriate oath or affirmation.
- 3.6 At any hearing of the Disciplinary Committee, the Member/Issuer shall be given all reasonable opportunity of being heard and shall be entitled to call witnesses, present evidence and to be represented by a lawyer or a spokesperson.
- 3.7 The Disciplinary Committee shall reach decisions on a majority basis. In the case of an equality of votes, the chairman shall have a casting vote.
- 3.8 The Disciplinary Committee shall prepare and forward to Nasdaq Dubai a written decision together with a summary of its findings, any recommended sanction and any recommendation as to costs.
- 3.9 On receipt of the written decision of the Disciplinary Committee in favour of a Member/Issuer, Nasdaq Dubai shall provide a copy of such decision to the Member/Issuer and DFSA together with its decision as to costs.
- 3.10 On receipt of the written decision of the Disciplinary Committee against a Member/Issuer:
  - a) Nasdaq Dubai shall determine whether it wishes to impose the recommended sanction or some other sanction or no sanction and whether it will impose costs;
  - b) Nasdaq Dubai shall send to the Member/Issuer and DFSA a copy of the Disciplinary Committee's decision together with a notification of any sanction and costs imposed by Nasdaq Dubai;
  - c) Nasdaq Dubai shall prepare a statement setting out the subject matter of the disciplinary proceedings and the decision and findings of the Disciplinary Committee and the sanction and costs imposed by Nasdaq Dubai (if any) and publish such statement following the expiry of the appeal period.

- 3.11 Nasdaq Dubai may impose all or any of the following sanctions:
- a) a written warning which may be public or private;
  - b) a fine which reflects the seriousness of each breach of the Rules;
  - c) an order that the Member/Issuer make restitution to any person (when the Member/Issuer has profited from a breach of the Rules at that person's expense);
  - d) suspension of the Issuer or a Member's membership;
  - e) termination of a Member's membership;
  - f) remove the Issuer from Trading on the Nasdaq Dubai Market.
- 3.12 In determining a disciplinary sanction, Nasdaq Dubai shall take into consideration previous conduct of the Member/Issuer.
- 3.13 The Disciplinary Committee may, at its discretion, make a recommendation as to costs including:
- a) the expenses of, and incidental to, any investigation or hearing, including costs under Rule 3.14; and
  - b) the legal and any other out-of-pocket expenses of Nasdaq Dubai as well as Nasdaq Dubai's reasonable internal legal and management expenses, whether in relation to the proceedings before the Disciplinary Committee or during any prior investigation.
- 3.14 Every person (other than a director or employee of a Member/Issuer) who gives evidence, or attends to give evidence, at a hearing of the Disciplinary Committee, or in any prior investigation, may be entitled to reimbursement for relevant actual and reasonable travelling expenses. Any such reimbursement shall be determined by and paid by Nasdaq Dubai.
- 3.15 A Member/Issuer aggrieved by a decision of the Disciplinary Committee must complete the appeals process provided by these Rules before exercising any right of review or appeal to a tribunal or the DIFC Court that may be prescribed in DIFC law or DFSA rules.

## Appeals Committee

### 4. Notice of Appeal

- 4.1 Appeals against decisions of the Disciplinary Committee or Nasdaq Dubai must be made by service of a notice in writing on Nasdaq Dubai within 10 days of the service of the decision of Nasdaq Dubai or the Disciplinary Committee, as appropriate.
- 4.2 The notice of appeal must set out the name of the appellant, the decision appealed against, the grounds of appeal, the principal matters relied upon and attaching copies of any documents relied upon.
- 4.3 Where the appellant wishes to rely on evidence or documentation which was not before Nasdaq Dubai or the Disciplinary Committee, as the case may be, this shall be stated in the notice together with details of such evidence and copies of such documentation shall be attached to the notice.

### 5. Appointment of an Appeals Committee

- 5.1 The Appeals Committee shall hear and determine appeals against decisions of Nasdaq Dubai and the Disciplinary Committee pursuant to Rule 3.

- 5.2 The Appeals Committee may uphold, dismiss or vary any decision of Nasdaq Dubai or the Disciplinary Committee.
- 5.3 On receipt of a notice under Rule 4, Nasdaq Dubai will arrange for the appointment of an Appeals Committee and the chairman will arrange a hearing as soon as reasonably practicable.
- 5.4 The Appeals Committee shall consist of a chairman, two directors or partners of Members (neither of whom shall be a member of the Board) and two independent members of the Practitioner Committee (neither of whom shall be a member of the Board or a director, partner or employee of a Member). The chairman shall be appointed by Nasdaq Dubai and shall be a lawyer or a judge from the Practitioners Committee that is independent of Nasdaq Dubai.
- 5.5 No member of the Practitioner Committee who is concerned or implicated in a matter shall be appointed to sit on an Appeals Committee for proceedings in that matter.
- 5.6 After being advised of a matter forming the basis for disciplinary proceedings, any member of the Practitioner Committee, not disqualified from being appointed pursuant to Rule 5.5, shall declare as soon as practicable any interest which they may have in such matter or any connection with any of the parties involved in such matter. Nasdaq Dubai, in its sole discretion, will determine whether the interest disqualifies the Practitioner Committee member from sitting on an Appeals Committee.
- 5.7 The expenses of the Appeals Committee shall be determined by and paid by Nasdaq Dubai.
- 5.8 The quorum for a meeting of the Appeals Committee shall consist of the chairman, one director or partner of a Member and one independent member of the Practitioner Committee.

## 6. Procedure for Appeals

- 6.1 The Appeals Committee shall give at least fourteen (14) days notice to the appellant and Nasdaq Dubai of the date, place and time of the appeal hearing.
- 6.2 Except as otherwise provided in these Rules, the order of proceedings shall be at the discretion of the Appeals Committee.
- 6.3 If any party or representative of such party fails to attend at the hearing, the Appeals Committee may proceed in its absence.
- 6.4 Any party may be represented by a lawyer or a spokesperson at an appeal hearing.
- 6.5 Save in exceptional circumstances and with the leave of the Appeals Committee, no party may present evidence (including calling new witnesses) that was not available to Nasdaq Dubai or the Disciplinary Committee, as the case may be, although additional submissions may be made. Whether such new evidence should be permitted and, where it is permitted, the procedure for its presentation shall be decided on a case by case basis by the Appeals Committee.
- 6.6 The Appeals Committee shall reach decisions on a majority basis. In the case of an equality of votes, the chairperson shall have a casting vote.
- 6.7 The Appeals Committee shall prepare and forward to the appellant and Nasdaq Dubai a written decision which shall include:
  - a) the decision of the Appeals Committee;
  - b) any statement intended for publication;

- c) a summary of the reasons for the decision; and
- d) any recommendation regarding sanctions imposed by Nasdaq Dubai or as to costs.

6.8 On receipt of the written decision of the Appeals Committee in favour of an appellant, Nasdaq Dubai shall provide a copy of such decision to the Member/Issuer and DFSA together with its decision as to amending sanctions it may have imposed in an earlier proceeding and costs relating to earlier proceedings and the appeal.

6.9 On receipt of the written decision of the Disciplinary Committee against an appellant, Nasdaq Dubai shall:

- a) withdraw or make amendment to an earlier sanction or assessment of costs in accordance with the recommendation of the Appeals Committee;
- b) send to DFSA a copy of the Appeals Committee's decision together with a notification of any sanction and costs imposed, withdrawn or amended by Nasdaq Dubai; and
- c) prepare a statement setting out the decision of the Appeals Committee and any withdrawal or amendment to the sanctions and costs imposed by Nasdaq Dubai (if any) and publish such statement.