



Procedures for Buyer Cash Compensation

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Contents

A. Introduction	3
B. New Sell Trade Rejection Procedures	3
C. Implementing the Buyer Cash Compensation Process	6
D. Failed Trade Settlement	6
E. Determining the Buyer Cash Compensation Reference Price	7
F. Calculation and Payment of the Buyer Cash Compensation Amount.....	8
G. Impact of a Late Confirmation of a Buy Trade	9
H. Handling Chain Transactions:[i] Identifying the First Selling Broker to be responsible for paying Buyer Cash Compensation; [ii]Identifying the End Buyer to receive Buyer Cash Compensation	10
I. Shortening Chain Transactions	11
J. Corporate Actions	13
K. Penalties for Rejections on T+2	14
APPENDIX 1 – PROCESS FLOWCHART	15
APPENDIX 2: FAQ	16



A. Introduction

1. The United Arab Emirates[UAE] is a T2+ settlement cycle market. Trades must be settled by T2+ for completion of funds settlement between brokers/custodians and the Exchange by 10.00am UAE time with securities settlement commencing at 10.15am UAE time.
2. Therefore, trade confirmation must be submitted by the relevant deadlines set by custodians to its clients to comply with T2+ settlement.
3. The new procedures are issued to ensure that a seller's assets are not used for settlement if the Exchange is positively notified that a sell trade will be rejected for settlement on the T2+ settlement date. If the selling broker fails to find securities to resolve the rejected sell trade by 2.00pm on T2+ [ie. did not take corrective action between T and T2+], the Exchange will invoke a buyer cash compensation [BCC] if the mandatory buy-in on T2+ fails and pay the end buyer the BCC amount in lieu of delivery of securities.
4. If the existing settlement confirmation deadlines for the T2+ settlement date cannot be met & the existing Late Confirmation option is used, the existing late confirmation procedures will be applicable.
5. For brokers with no clients using custodians for settlement of trades, sections B and G of these procedures are not applicable.
6. The Exchange reserves the right to update these procedures from time to time.

B. New Sell Trade Rejection Procedures

1. Common terminologies used in this document:
 - 1.1. Broker means a broker clearing member whom the Exchange settles trades with
 - 1.2. Buyer means the client of the buying broker or the buying broker if the trade is a proprietary trade
 - 1.3. Custodian means the local custodian clearing member whom the Exchange settles trades with
 - 1.4. Exchange means DFM pursuant to its role as the Clearing as per the securities laws for the clearing and settlement of trades
 - 1.5. Seller means the selling investor client of the selling broker
2. In the Exchange's enhanced DVP model, the Exchange will introduce a rejection of sell trade for settlement on T+2 option as an additional process apart from the existing late confirmation process.
3. There will be 2 types of sell rejections; [i] rejection by seller via custodian that a sell trade will not be settled on T2+, and [ii] the existing late confirmations where matched settlement instructions have not been received by a custodian from the seller to confirm settlement. A summary of how sell trades can be rejected for settlement is as follows:
 - 3.1. Rejection of Sell Trades for Settlement on T2+ by a custodian:
 - 3.1.1. For this new sell rejection type, the seller must confirm to the custodian that a sell trade is rejected for settlement on T2+. This means that the seller is positive that the sell trade is a wrong trade.
 - 3.1.2. The custodian must submit a rejection to the Exchange to confirm that a sell trade will not be settled by the custodian. This rejection is irrevocable after T2+.
 - 3.1.3. The custodian will submit this type of rejection in a separate sell rejection request format [format to be provided in a separate notice], with a copy of the rejection request extended to the selling broker too.
 - 3.1.4. The Exchange may accept a reverse request for this type of sell rejection provided the following conditions are met:
 - 3.1.4.1. the selling broker approves the rejection reversal request and informs the Exchange accordingly; and
 - 3.1.4.2. the Exchange receives the request by 1.00pm on T2+; and
 - 3.1.4.3. the seller still has the securities balances to settle the reversal of the rejected sell trade.
 - 3.1.5. The late confirmation period of T3+ and T4+ does not apply for this type of sell rejection; this means that the seller cannot subsequently confirm settlement of the rejected sell trade after T2+.
 - 3.1.6. The seller's earmarked securities balances will be released immediately after the Exchange completes the sell rejection process by 10.00am and the seller is entitled to corporate actions if the Entitlement Date was on T [book close date on T2+] or thereafter if the seller does not sell after T2+
 - 3.1.7. It is possible for the seller to sell on T2+ onwards after the Exchange completes rejection of the error sell trade
 - 3.1.8. The buyer will not be credited purchased securities on T2+ but it is possible for the buyer to onward sell from the time of purchase until end of T2+ trading session;
 - 3.1.8.1. Funds settlement for the buy trade will also be re-scheduled; the buying broker will be credited back the trade value of the unsettled buy trade on T2+.
 - 3.1.8.2. Funds settlement will eventually be settled either on:
 - 3.1.8.2.1. the settlement date when securities becomes available or
 - 3.1.8.2.2. payment of the buyer cash compensation amount.
 - 3.1.9. The selling broker will be permitted to buy from the market to rectify the rejected sell trade or borrow securities when securities lending and borrowing becomes operational. These actions must be completed by 2.00pm on T2+.
 - 3.1.10. If the selling broker manages to buy securities from the market on either T1+ or T2+, the end buyer will receive securities on either T3+ or T4+ where funds settlement for the buy trade will also be settled.
 - 3.1.11. If the selling broker fails to find securities to resolve the rejected sell trade by 2.00pm on T2+ [ie. did not take corrective action between T and T2+], the Exchange will invoke a buyer cash compensation [BCC] if the mandatory buy-in on T2+ fails
 - 3.2. Late confirmations: Where matched settlement instructions are not received for settlement of a sell trade by the custodian and the sell trade is also not confirmed as rejected for settlement on T2+ by the seller, the custodian will submit a late confirmation request:
 - 3.2.1. If the sell trade is not confirmed as rejected for settlement on T2+ by the custodian, the current late confirmation process does not change;
 - 3.2.2. On T4+ after a failed mandatory buy-in [partial or in full], the existing seller cash closeout process will still be applicable.

C. Implementing the Buyer Cash Compensation Process

1. All brokers and custodians must notify their clients of Articles II and III of SCA Resolution No. 44 of 2012 whereby the Exchange may apply buyer cash compensation in lieu of delivery of securities.
2. For sell trades which are confirmed as rejected by the custodian for settlement on T2+ using the new procedure, any rejection reversals must be submitted to the Exchange by 1.00pm on T2+.
3. The Late Confirmation Period of T3+ and T4+ will not be applicable.
4. The Exchange will conduct a mandatory buy-in from 2.30pm to 2.45pm (or any time as may be determined by the Exchange from time to time) on T2+ if the selling broker fails to resolve the sell rejection.
5. If the mandatory buy-in fails [in full or partial], the Exchange will apply the buyer cash compensation process to identify the end buyer to receive cash compensation in lieu of delivery of securities.
6. The end buyer will be cash compensated for the quantity of the failed mandatory buy-in.
7. The Buyer Cash Compensation process starts after 2.45pm on T2+ where the end buyer to be compensated will be identified.
8. Funds settlement of the Buyer Cash Compensation Amount will be paid by 10.00am on T4+ as follows:
 - 8.1. To the buying broker if the buy trade is a non-custodian trade; or
 - 8.2. To the custodian if the buy trade is a custodian trade; or
 - 8.3. To the buying broker if the buy trade has been rejected by the custodian for settlement.
9. All outstanding trades linked to the rejected sell trade as at 2.45pm on T2+ ie. sell and buy trades of T1+ and/or T2+ if applicable, will be settled on a Failed Trade settlement basis.

D. Failed Trade Settlement

1. For the failed trade settlement process, the end buyer will be identified by 3.00pm on T2+ after the unsuccessful mandatory buy-in. If the settlement date of the end buyer's buy trade is T3+ and/or T4+, the following procedures apply.
2. The end buyer's buy trade quantity linked to the failed mandatory buy-in on T2+ will be suspended to prevent further chain transactions and receive the buyer cash compensation amount from 10.00am on T4+.
3. Funds settlement of all trades settled on a failed trade settlement basis will commence from 10.00am on T4+. This means that buyers in a chain transaction who had onward sold (on either T or T1+) but with buy trades of settlement dates of either T2+ or T3+ will only complete funds settlement from 10.00am on T4+.
4. The Exchange reserves the right to conduct failed trade settlement on a partial trade basis ie. 'tickets', where securities are insufficient to settle a trade in full. This means that trade settlement may be split into part normal settlement and part failed trade settlement.
5. Payment of Buyer Cash Compensation Amount[BCCA]:
 - 5.1. Where the end buyer does not use a custodian for settlement, the BCCA is paid to the end buyer's broker.
 - 5.2. Where the end buyer uses a custodian for settlement, the buyer cash compensation amount for trades settled on accelerated settlement will be paid to the custodian.
 - 5.3. If the end buyer using a custodian subsequently did not confirm the buy trade, the custodian must pay the buyer cash compensation amount to the buying broker on T5+ without delay.

E. Determining the Buyer Cash Compensation Reference Price

1. The Buyer Cash Compensation Reference Price shall be determined as follows:
 - 1.1. For a non-corporate action adjusted Buyer Cash Compensation Process: the reference price shall be the higher of
 - 1.1.1. the highest matched price of the security on T3+; or
 - 1.1.2. the Original Traded Price of the end buy trade which has been identified for Buyer Cash Compensation.
 - 1.2. Where there is no matched trades on T3+, the highest matched price shall be the T3+ closing price.
 - 1.3. For Buyer Cash Compensation of buy trades where T, T1+ or T2+ is the Entitlement Date for mandatory securities type of corporate action [ie. splits, consolidation, bonus issue], the reference price shall be the higher of:
 - 1.3.1. the highest matched price on T3+ adjusted for the mandatory securities type of corporate action factor [herein referred to as adjusted highest matched price]; or
 - 1.3.2. the Original Traded Price.
 - 1.4. The Exchange reserves the right to vary the buyer cash compensation reference price if necessary.

F. Calculation and Payment of the Buyer Cash Compensation Amount

1. The Buyer Cash Compensation Amount[BCCA] will be calculated as follows: [Buyer Cash Compensation Reference Price x quantity of securities not delivered by the Exchange] + Market Fees.
2. Market Fees [trading fee, CSD fee, SCA fee and order fee] to be compensated to the end buyer is calculated based on the quantity of securities not delivered by the Exchange multiplied by Buyer Cash Compensation Reference Price.
3. Where the Exchange is unable to deliver securities to a buyer on T2+ because of a rejected sell trade, the Exchange will adjust the buying broker's T2+ funds settlement obligations and refund the trade value of securities not delivered. The reason for doing this adjustment is to ensure DVP; where securities are not delivered, funds settlement will not be collected.
4. The selling broker which failed to resolve the rejected error sell trades will be responsible for paying the Buyer Cash Compensation Amount and may claim such amounts from the seller subject to broker/seller agreement.
5. In paying the BCCA, the BCCA will be netted against the buy trade value of the end buyer because of the funds settlement adjustment explained in 3 above.



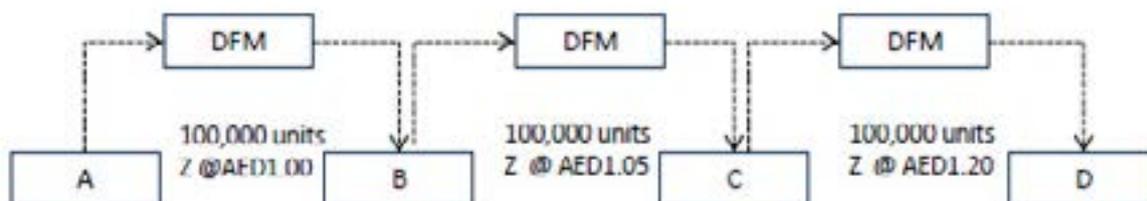
- 5.1. For example: BB purchased 100,000 Z securities on T at AED1.00. This purchase is linked to an rejected sell trade by custodian client seller AA on T2+ whose sell trade was executed through selling broker CC. Total purchase value is AED100,000. BB is the end buyer.
 - 5.1.1. On T2+ by 10.00am:
 - 5.1.1.1. Upon completion of the rejection process, custodian client seller AA's 100,000 Z securities will be released from earmarked status.
 - 5.1.1.2. The funds settlement position of buying broker of BB will be adjusted by crediting AED100,000 back to the buying broker of BB via the existing rejection adjustment letter process.
 - 5.1.1.3. The custodian will not receive the sale proceeds; neither will Selling Broker CC receive AED100,000.
 - 5.1.2. On T2+ after 2.45pm: When the mandatory buy-in for 100,000 Z securities is unsuccessful, the Buyer Cash Compensation Process will identify the end buyer ie. BB.
 - 5.1.3. On T3+ after 2.00pm: calculate the BCCA as follows:
 - 5.1.3.1. Assuming the highest matched price of Z securities on T3+ is AED1.10: $BCCA = [AED1.10 \times 100,000] + \text{market fees} = AED110,000 + AED170 = AED110,170$.
 - 5.1.3.2. BB - To Receive: AED110,170(as BCCA). To Pay: AED100,000(original purchase value). Net To Receive:AED10,170
 - 5.1.3.3. Selling broker CC – To Receive: AED100,000(original sell
 - 5.1.4. The Buyer Cash Compensation Amount will be paid by 10.00am on T4+.
6. For the avoidance of doubt, the Buyer Cash Compensation Amount paid to the end buyer via the buying broker in lieu of delivery of securities is not deemed to be a profit and is exempted from the Exchange's reporting requirements of gains/losses from disposal of rejected buy securities.
7. Where the end buyer's buy trade is a valid trade, the end buyer must accept the decision by the Exchange to pay the Buyer Cash Compensation Amount to the buying broker in lieu of delivery of securities as per Articles II and III of SCA Resolution No. 44 of 2012.

G. Impact of a Late Confirmation of a Buy Trade

1. For a late confirmation by a custodian for an end buyer's trade on T2+, the buying broker will be paid the BCCA instead.
2. The buying broker determines whether the custodian of the end buyer should be paid the BCCA pursuant to any late confirmation reversal request between T3+ and T4+.
3. Where the buy trade is a valid trade and settlement is confirmed by the end buyer for settlement, the end buyer must accept the decision by the Exchange to pay the Buyer Cash Compensation Amount to the custodian in lieu of delivery of securities as per Articles II and III of SCA Resolution No. 44 of 2012.

H. Handling Chain Transactions: [i] Identifying the First Selling Broker to be responsible for paying Buyer Cash Compensation; [ii] Identifying the End Buyer to receive Buyer Cash Compensation

1. The selling broker responsible for executing the rejected sell trade will be the first selling broker of a transaction chain and shall be responsible for paying the Buyer Cash Compensation Amount to the Exchange to resolve the unsuccessful mandatory buy-in quantity for the rejected sell trade.
2. On T2+, the Exchange will identify the end buyer linked to the quantity of securities of the unsuccessful mandatory buy-in for the rejected sell trade and pay the end buyer a Buyer Cash Compensation Amount for the quantity of undelivered securities on T4+.
3. The following is an example how the first selling broker and end buyer are identified if the mandatory buy-in for the rejected error sell trade on T2+ is unsuccessful:



4. In the above example, B and C will be removed from buy-in on T2+. Instead, A will be posted for mandatory buy-in on T2+ if corrective measures are not taken by the selling broker of A to resolve the rejected sell trade by 2.00pm on T2+.
5. Funds settlement for all trades linked to the rejected sell trade of A will be removed from the T10.00 2+am funds settlement process and remain unsettled until payment of the buyer cash compensation amount on T4+ by 10.00am.
6. On T2+ after an unsuccessful mandatory buy-in, the Buyer Cash Compensation process will identify D as the end buyer.
7. After 2.00pm on T3+:
 - 7.1. Assuming the highest matched price on T3+ is AED1.30, the Buyer Cash Compensation Amount calculated will be: $[AED1.30 \times 100,000] + \text{market fees} = AED130,000 + AED172.50 = AED130,172.50$.
 - 7.2. The Exchange will make the following funds settlement entries on T3+ for the Buyer Cash Compensation process:
 - 7.2.1. A:- To Receive AED100,000; To Pay AED130,172.50 [Buyer Cash Compensation Amount for non-settlement of sell rejection]. Net To Pay AED30,172.50

7.2.2. D: To Pay AED120,000 and To Receive AED130,172.50[as Buyer Cash Compensation Amount]. Net To Receive is AED30,172.50.

7.3. Funds settlement of unsettled trades and the Buyer Cash Compensation Amount will be completed by 10.00am on T4+.

8. B and C will also be settled on T4+ by 10.00am:

8.1. B - To Pay AED100,000 and To Receive AED105,000. Net To Receive AED5,000.

8.2. C - To Pay AED105,000 and To Receive AED120,000. Net To Receive AED15,000.

I. Shortening Chain Transactions

1. Partial Settlement.

1.1. The Exchange may conduct partial trade settlement so as to minimize the impact of an unsuccessful mandatory buy-in for the rejected sell trade. Instead of failing a full exchange matched trade [herein referred to as "tickets"], any quantity of securities available may be utilized for partial securities settlement of a ticket.

1.2. For example, if 7,000 securities are available to settle a sell ticket of 10,000, the securities settlement for the ticket of 10,000 will settle for 7,000 and only the 3,000 will be cash settled instead of the full 10,000 as is the case now.

1.3. Where there is more than 1 ticket to be settled for an exchange order, securities will be allocated based on time-stamp sequence of the ticket. This means that a ticket which is matched first will be settled first from the available quantity of securities.

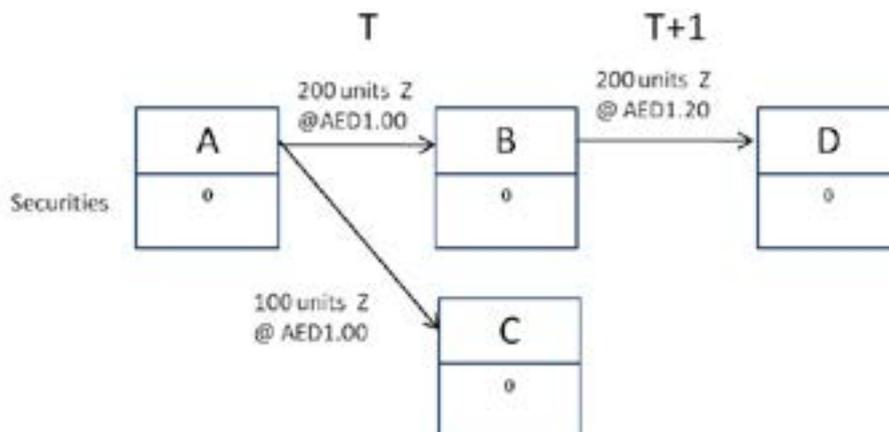
1.3.1. For example: a first selling broker's sell order of 10,000 securities is matched to 2 tickets of quantities 1000 and 9000 each. 1000 is matched ahead of 9000.

1.3.2. If only 7000 securities are available, the securities settlement for the ticket of 1000 will be settled in full while only 6000 of 9000 will settle for the ticket of 3000 .9000 will be cash compensated instead of the full 9000.

2. Settlement of chain transactions where there are more than one buyer.

2.1. Where there is more than one buyer linked to the unsuccessful mandatory buy-in quantity and securities are partially available, the available securities will be settled on a matching-time sequence order priority ie. first matched trade, first settled basis.

2.1.1. In the following example, custodian client seller sold 300 Z securities on T through selling broker A; 200 securities was matched to B first followed by a trade of 100 securities matched to C. B sold 200 securities on T+1 to D.



2.1.2. If the seller rejects the sell trade on T2+ and the mandatory buy-in for 300 on T2+ is partially successful for only 100 securities, allocation of the 100 securities will be on a first matched, first settle basis.

2.1.3. Part of B's instead of C's settlement will stand and D will not receive 100 securities and will be paid a BCCA for 100 securities, leaving D with only 100 securities.

2.1.4. C will also be paid a BCCA for the 100 securities as part of the Buyer Cash Compensation process.

2.1.5. Selling broker of A will be responsible for paying the BCCA for 200 securities.

3. The Exchange may also settle trades with available securities balances. This means that if B has 300 units of Z securities before the purchase of 200 matched to A, B's sell trade for 200 Z securities matched to D will settle. B, and not D, will be paid a BCCA for the 100 securities not delivered by selling broker of A.

4. Where there is a sell rejection in between a chain transaction, a new transaction chain will be created whereby the selling broker of the buyer-seller who rejected the onward sell trade will become the first selling broker responsible for payment of any BCCA.

J. Corporate Actions

1. Where a sell trade is rejected for settlement on T2+ and not reversed by 1.00pm on T2+, the seller will be entitled to corporate actions if the Entitlement Date is on T or thereafter if the seller did not sell after T2+.

2. If the end buyer purchased on T, T1+ or T2+ which are Entitlement Dates of a mandatory corporate action and the end buyer's trade settlement date is between T2+, T3+ or T4+, the Exchange will compensate the end buyer as follows:

2.1. Where the rejected sell trade is subsequently settled with securities delivery ie. if the selling broker is successful in finding securities via either a market buy, borrowing securities or a successful buy-in on T2+:

2.1.1. For mandatory securities type of corporate action, the end buyer will have to make a claim for the corporate action and

receive the corporate action quantity. The first selling broker shall be responsible for buying the corporate action securities and for any costs related to the claim by the end buyer.

2.1.2. For a mandatory cash type of corporate action, the Exchange will pay the corporate action on the pay date of the corporate action event and debit the first selling broker for this amount. The first selling broker shall also be responsible for any costs incurred by the Exchange.

2.2. Where the rejected sell trade is settled by buyer cash compensation:

2.2.1. For mandatory securities type of corporate action, the end buyer will be compensated via the higher of the adjusted highest matched price of T3+ or the original traded price as the Buyer Cash Compensation Reference Price. For example, BB purchased 100 shares on T2+ at AED1.10 per share but did not receive the 100 shares. T2+ is also the Entitlement Date for a 1:1 bonus. The highest matched price on T3+ is AED0.60. We will use AED1.20 as the buyer cash compensation reference price (ie. the higher of the adjusted highest matched price of T3+ or the original traded price) and pay BB [AED1.20 x 100] + market fees = AED139 + AED35 = AED174 and collect AED110 from BB. BB will receive a net of AED64. BB will have a total of AED174 [original trade of AED110 + AED64 as buyer cash compensation] to purchase 200 shares on T4+ from the market as replacement shares for the 100 shares which he did not receive & also for the bonus issue he was not entitled to;

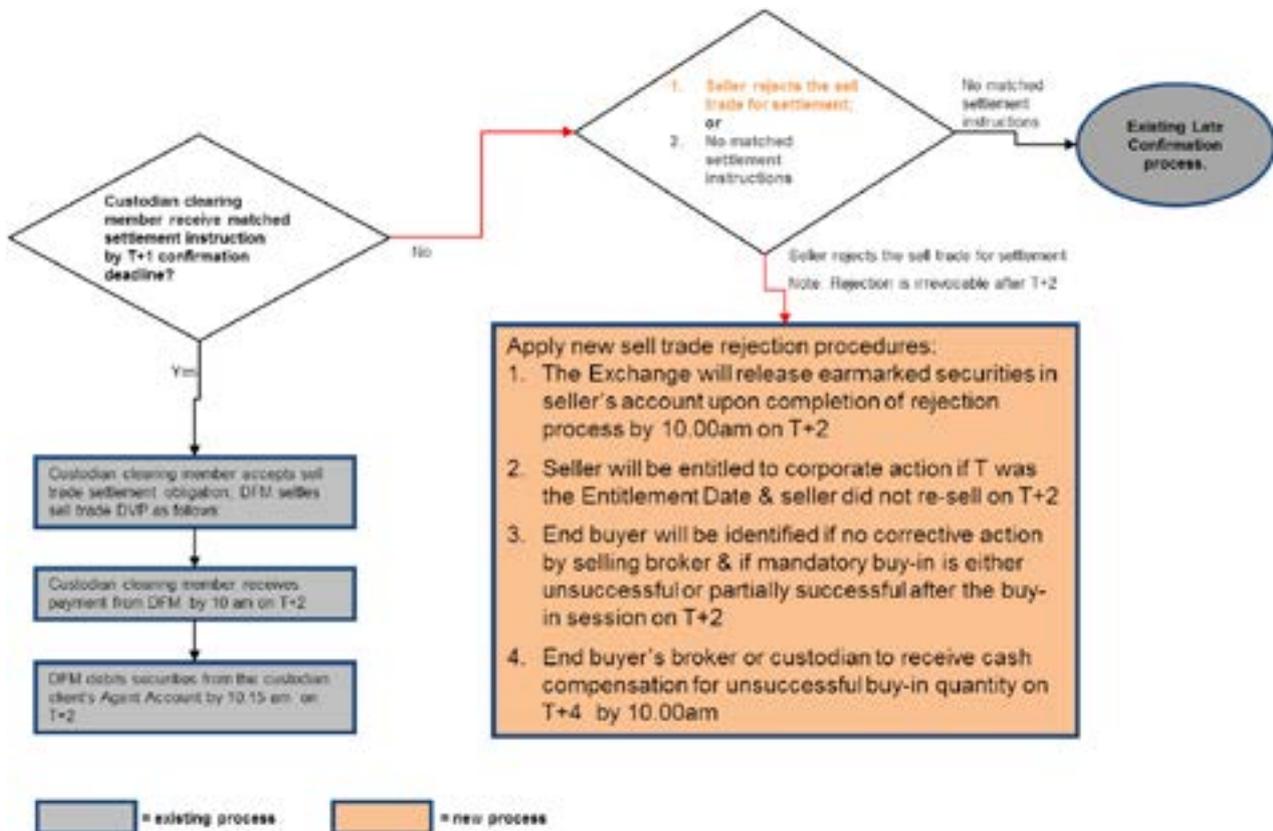
2.2.2. For a mandatory cash type of corporate action, the Exchange will pay the corporate action on the pay date of the corporate action event and debit the selling broker for this amount.

3. The selling broker which executed the rejected sell trade will be responsible for paying the Exchange the value of any corporate action event and applicable cost. The Exchange will debit this sum from the funds settlement account of the selling broker.

K. Penalties for Rejections on T2+

1. The Exchange may levy a penalty on the selling broker for not settling the rejected sell trade.
2. The penalty rate will be notified in due course.
3. The Exchange reserves the right to vary the penalty rate from time to time.

APPENDIX 1 – PROCESS FLOWCHART



APPENDIX 2: FAQ

A. Process

1. Are there any operational changes to the existing sell trade rejection process and deadlines?

Yes, there will be now be 2 types of sell rejections as follows:[1] Rejection of sell trades for settlement [new feature], and [ii] late confirmation of sell trades due to no matching instruction from custodian clients [the existing feature]. Type 1 rejection is the new enhancement. The existing procedures in relation to Late Confirmations remain unchanged.

2. What are the new changes?

DFM is a T2+ settlement cycle market. Where DFM is notified positively by the existing rejection deadlines that a sell trade will not be settled by the seller, DFM will not use the seller's securities for settlement. This means that the seller's assets will not be used for trade settlement.

3. Who will be impacted by the changes?

Sellers using custodians for settlement will be impacted. Sellers must confirm whether a trade is to be rejected for settlement by the existing settlement deadlines set by custodians if sellers wish for assets not to be used for settlement.

Buying brokers and their clients may be also be impacted by the changes. However, the likelihood of the impact is remote. The potential impact is that in lieu of delivery of securities, a buyer may be paid a buyer cash compensation amount instead of receiving purchased securities and therefore, the buyer must accept the cash compensation in lieu of securities.

4. How will investors be impacted by these changes?

Whenever a mandatory buy-in by DFM on T2+ for a rejected error sell trade is unsuccessful, the end buyer will receive a buyer cash compensation amount by 10.00am on T4+ for the quantity of the unsuccessfully mandatory buy-in instead of purchased securities on T2+.

5. How is the end buyer identified?

DFM will identify the end buyer by using its matched trade data to identify the first buyer or buyers matched to a rejected sell trade after 2.45pm on T2+. DFM will then identify if the first buyer[s] onward sold the quantities from the purchase trade to establish a transaction chain to determine the end buyer[s].

6. Why doesn't DFM cash settle trades on a settlement date basis instead of using the chain transaction approach?

DFM adopts a continuous netting process to mitigate risk exposure of unsettled trades to brokers. Where a buying broker subsequently onward sold purchased securities but failed to deliver such purchased securities and has no owned balances to settle the onward sell trade, the 'net to receive' securities obligation is netted against a 'net to deliver' securities obligation to mitigate the risks of failed securities deliveries. Only the first selling broker responsible for not resolving the sell rejection will be penalized. This means that all brokers in the middle of a transaction chain linked to a sell rejection will not be eligible for a buy-in or be made to pay for the buyer cash settlement amount unless there is a sell rejection in the transaction chain.

7. What happens if the end buyer rejects the buy trade on T2+?

The existing buy rejection process applies only to funds settlement; the buying broker will be paid the buyer cash compensation amount instead of the custodian. The buyer cash compensation amount may be paid back to the custodian subject to approval of the late confirmation by the broker similar to the existing settlement process of a late confirmation of a rejected buy trade.

8. Why is the buyer cash compensation amount paid only at 10.00am on T4+?

The process is taken at the end of T3+ so as to use the highest matched price of T3+ as a cash compensation reference price. Funds settlement can only be completed at 10.00am on T4+ because there is no interbank funds settlement late T3+ afternoon.

B. Buyer Cash Compensation Reference Price

9. Why isn't the highest price between T and T2+ considered?

The highest price between T and T2+ was not considered because an end buyer is not prohibited from selling between T and T2+. Therefore, if the end buyer had intended to benefit from the highest price between T and T2+, the end buyer could have sold during this period. If the end buyer did not sell, then it is unfair for DFM to use the highest price for this period when the end buyer could have freely sold at the highest price but did not.

10. Why is the highest matched price on T3+ used?

The T3+ highest matched price is used for 2 reasons:

- If the end buyer wanted to purchase back the undelivered securities on T3+, the T3+ highest matched price will be the maximum paid by the end buyer
- If the end buyer wanted to sell undelivered securities on T3+ but could not, the T3+ highest matched price will be the maximum price the end buyer would have received.

C. Broker and Custodians

11. How will brokers and custodians be notified of a buyer cash compensation event?

DFM will notify the relevant buying brokers of failed securities delivery on the respective settlement dates. DFM will also email a buyer cash compensation file similar to the buy-in trade log file to the respective broker and/or custodian affected at the end of business day of T3+.

12. How will broker and/or custodians receive the buyer cash compensation amount?

The buyer cash compensation amount will be paid by 10.00am on T4+ via a separate adjustment notification process similar to the existing one for adjusting funds settlement for rejections.

D. Corporate Actions

13. Will the end buyer be impacted by corporate action[CA] entitlements?

The end buyer will be entitled for mandatory corporate actions [dividends, bonus issues, splits and consolidation] if they purchase on the Entitlement Date. For securities-type of CA, the end buyer will be entitled via [1] the buyer cash compensation amount paid by DFM to the end buyer in lieu of delivery of securities; or [2] delivery of the corporate action securities by DFM through the first selling broker. For mandatory cash CAs, DFM will pay the end buyer on the payment date of the cash CA event. With buyer cash compensation, the end buyer will however be unable to attend general meetings.

إخلاء مسؤولية:

المعلومات الواردة في هذه الوثيقة (المعلومات) تم تقديمها باعتبارها معلومات عامة وتعليقات فقط. ورغم توخي العناية المعقولة في إنتاج هذه المعلومات، قد تحدث تغيرات في الظروف في أي وقت ويمكن أن تؤثر على دقة المعلومات. سوق دبي المالي ويشير إليه فيما بعد بسوق دبي المالي و/أو الشركات التابعة له، مسؤوليه أو موظفيه لا يعطون أي ضمان أو زعم بدقتها وتوقيتها، وموثوقيتها أو اكتمال المعلومات الآن أو في المستقبل. لن يتحمل سوق دبي المالي أي مسؤولية عن أي خسارة مباشرة أو غير مباشرة من قبل أي شخص يعمل اعتماداً على المعلومات الواردة في هذه الوثيقة.

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