

## **Cabinet Resolution No. (2) of 2022 Concerning the Trading of Cooperative Associations' Shares in Financial Markets in the State**

### **The Cabinet,**

- Having reviewed Federal Law No. (1) of 1972, Concerning the Competences of Ministries and Capacities of Ministers, and its amending laws thereof; and
- Federal Law No. (13) of 1977, Concerning Cooperative Associations; and
- Federal Law No. (4) of 2000, Concerning the Emirates Securities and Commodities Market Authority, and its amendments thereof; and
- Based upon the Minister of Economy's proposal, and the Cabinet's approval,

### **Resolved:**

### **Article (1) Definitions**

The following terms shall have the meanings assigned to each of them, unless the context requires otherwise:

- State** : The state of the United Arab Emirates.
- Ministry** : The Ministry of Economy.
- Minister** : The Minister of Economy.
- Authority** : The Securities and Commodities Authority.
- Financial Markets** : The financial markets in the State licensed by the Authority.
- Cooperative Association** : The cooperative association incorporated in the State in accordance with the provisions of Federal Law No. (13) of 1976 concerning cooperative associations.
- Registrar** : The natural person or concerned unit in the cooperative association entrusted with maintaining the register which identifies the membership of the cooperative association's shareholders and the number of shares and what relates to it as profits or mortgages or restrictions on its trading.

## **Article (2) Trading Platforms in Financial Markets**

1. The financial markets may, upon approval from the Authority, establish special platforms for the registration, trading, and transfer of ownership of the Cooperative Associations' stocks.
2. Pursuant to the Cooperative Associations' Law aforementioned, the financial market shall issue – upon approval from the Ministry and the Authority – a decision determining the conditions, provisions and controls of registering, trading and transferring the ownership of the Cooperative Association's stocks; and the financial market shall determine in such decision all the procedures, criteria, requirements, templates and mechanisms related to the registration and trading of the Cooperative Association's stocks and the transfer of its ownership and settlement of rights arising from it.
3. In addition to what is stipulated in this article, the financial markets shall exercise the registrar's role when the Cooperative Association is registering, trading or transferring the ownership of its stocks in financial markets.
4. Without prejudice to the above referenced clauses, the Ministry shall continue to exercise the competences assigned to it pursuant to the Cooperative Associations' Law aforementioned and the resolutions issued subsequently in application to it.

## **Article (3) Procedures**

1. The Cooperative Association's Board of Director, wishing to register and trade its stocks or transfer the ownership of stocks in financial markets, shall submit a request to the concerned financial market, annexed with the ordinary general assembly's resolution, the Association's articles of association, and any other documents determined by the concerned financial market.
2. The Cooperative Association shall send a copy of its request and the ordinary general assembly's resolution above referenced in clause (1) of this article to the Ministry and Authority.
3. The financial market shall examine the Cooperative Association's request in accordance with the conditions, provisions and controls issued in this regard.
4. The financial market shall notify the Cooperative Association, the Ministry and the

Authority of its decision within a period not exceeding (30) days from the date of submitting a request fulfilling all the documents.

#### **Article (4) Minister of Economy's Competences**

The Minister shall be authorized to amend the provisions of this resolution in accordance with the requirements of public interest.

#### **Article (5) Repeals**

Any resolution conflicting or contradicting with the provisions of this resolution shall be repealed.

#### **Article (6) Enforcement and Execution**

This resolution shall come into force as of its date of issuance and it shall be published in the official gazette.

**Mohammed bin Rashid Al-Maktoum**

**Prime Minister**

Issued by us,

On: 2 / Rajab / 1443 AH

Corresponding: 3 / February / 2022 AD