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Official Gazette / Issue 11 / 18 September 2012

**Law No. (8) Of 2012
Of
Qatar Financial Markets Authority**

We, Hamad Bin Khalifa Al Thani, Emir of the State of Qatar,

Having considered the Constitution,
Law of Commercial Companies issued by Law No. (5) of 2002, and its amending laws,
Law No. (33) of 2005 on Qatar Financial Markets Authority, and its amending laws,
The proposal of the Governor of the Qatar Central Bank, and
The draft law submitted by the Council of Ministers, and
Having consulted the Advisory Council,

Have decreed the following law.

**Chapter I
Definitions**

Article 1

On application of the provisions of this law, the following words and phrases shall have the meaning adjacent to each, unless the context requires otherwise:

Authority:	Qatar Financial Markets Authority (QFMA)
Governor:	Governor of Qatar Central Bank
Board:	Board of Directors of the Authority
Chairman:	Chairman of the Board
Chief Executive Officer:	Chief Executive Officer of the Authority
Person:	Natural or legal person, as the case may be
Financial Markets:	Markets licensed for dealing in securities, pursuant to the provisions of this law

Financial Markets Activities:	Financial operations and services conducted by a regulated financial market, a depository, a clearing company, or a financial services company and other bodies subject to the Authority's jurisdiction.
Securities:	Shares and bonds of Qatari shareholding companies; bonds, sukuk and bills issued by the government or any Qatari authority or public institution, or any other securities including non-Qatari securities licensed by the Authority. Derivatives, commodities and other investment instruments licensed by the authority are considered as Securities
Dealing in Securities:	Operations of purchasing and selling, title transfer, registration, lending and borrowing, related to Securities licensed in the market, whether such transactions are conducted directly or through an intermediary
Financial services:	Executing orders of buying and selling securities for others, trading Securities for the person's own benefit, providing custodian services (cash or securities), providing advice on securities, managing securities investment and investment trusteeship, underwriting the issuance of securities, managing issues of securities, providing liquidity, lending and borrowing securities, margin trading, and other operations, services and activities determined by the Authority's rules and regulations
Off market activities:	Any dealings in Securities, or dealings related directly or indirectly to Securities, conducted outside the market, or any other dealings determined by any regulations and decisions issued pursuant to this Law.

Chapter II Organization of the Authority

Article 2

The Authority shall have a legal personality, and a budget which shall be part of the State's general budget.

Article 3

The Authority shall report to the Governor. Its headquarters shall be located in Doha City.

Article 4

The Authority shall have a financial and administrative independence. It shall have all the regulatory, supervisory and control powers necessary for conducting its functions in accordance with the provisions of this law and the regulations, rules and decisions issued in pursuance hereof.

Article 5

The Authority aims to maintain confidence in the financial markets dealing system, and protect security owners and dealers in a manner that ensures the stability of the financial markets and reduces the risks thereof. In order to achieve its objectives, the Authority mainly shall:

1. Regulate, supervise, and control financial markets.
2. Regulate the security dealing activity in a fair, competitive, and transparent manner.
3. Raise public awareness regarding securities activity and develop the investment in such activity.
4. Control the trading rules on dealers in securities activities and other activities
5. Implement disclosure policy in order to achieve fairness, transparency and prevent conflicts of interests and the exploitation of internal information.
6. Combat the causes of financial crimes that are related to financial markets.
7. Enhance liaisons, links, and information exchange with foreign financial markets, regulators, and regional and international organizations and institutions to benefit from their dealing processes in a way that assists in developing the State's financial markets.
8. Conduct studies, collect information and statistics on financial markets activities and publish relevant reports.

Chapter III Management of the Authority

Article 6

**Amended by Decree-Law No. (22) of 2018, issued on 04/11/2018 - Official Gazette - Issue 19
12 December 2018**

The Authority shall be managed by a Board of Directors composed of a Chairman, a Vice-Chairman, and at least five members with expertise in the Authority's scope of work.

The appointment of the Board and the remuneration of the Board's Chairman, Vice-Chairman and members shall be determined by an Emiri Decree.

The Vice-Chairman shall replace the Chairman in case of absence or vacancy of the position.

The Board shall have a secretary whom it shall select and determine the functions and financial remuneration thereof.

Article 7

The membership term of the Board shall be of three years which are similarly renewable for one or several terms.

Article 8

The Board shall have all authorities and powers required to manage the Authority's affairs and achieve its objectives, specifically the following:

- 1- Set the Authority's general strategy and supervise the implementation thereof.
- 2- Approve the Authority's plans, programs and projects and follow up the implementation thereof.
- 3- Issue the Authority's organizational structure.
- 4- Issue administrative and financial regulations, human resources regulations, administrative and financial sanctions regulations and other regulations governing the Authority's affairs.
- 5- Suggest the Authority's estimated annual budget and final accounts.
- 6- Determine charges of services offered by the Authority to others.
- 7- Approve draft agreements to be signed by the Authority.
- 8- Propose legislative tools related to the Authority's objectives and functions.

The decisions of the Board stipulated in paragraphs (3), (4) and (6) above shall not be effective unless approved by the Council of Ministers.

Article 9

The Board shall meet at least once every three months upon the invitation of the Chairman, or whenever needed. The board meeting shall be deemed valid if attended by the majority of the members, provided that either the Chairman or the Vice-Chairman attends the meeting.

Article 10

The Board meetings shall be confidential. Attendance of and voting in the meeting may not be delegated. The Board shall pass its decisions by a majority of votes present. In case of tie vote, the Chairman shall cast the deciding vote.

Article 11

The Board may invite to its meetings any competent and experienced person among the Authority's or other employees to provide the Board with the required advice, data, or explanations. The invited persons shall have the right to participate in the discussions without having the right to vote.

Article 12

The Board may establish one or several committees, with the membership of Board members in order to assist in considering matters submitted for the Board's review. The Board may appoint as members of such committees competent and experienced individuals from inside or outside the Authority.

Article 13

The Board may establish permanent or temporary advisory committees, entrusted to address specific tasks falling under the Board's competences pursuant to this law. The Board may require the assistance of experts from outside the Authority.

Article 14

The Board's minutes of meetings and decisions shall be noted in a special numbered record or on individual numbered minutes that are maintained in a special file. The Minutes shall be signed by the Chairman and the Secretary.

Article 15

The Chairman of the Board shall have the right to sign on behalf of the Authority and shall delegate the Vice-Chairman, any Board member, the Chief Executive Officer or any other employee of the Authority to sign, severally or jointly, the affairs determined by the Chairman.

Article 16

The seal of the Authority shall not be valid unless accompanied by the signature of the Chairman or the authorized person.

Article 17

The Authority shall have a Chief Executive Officer (CEO), who shall not be a member of the Board. He shall be appointed by an Emiri Decree upon a proposal from the Governor. The CEO shall, under the supervision of the Board and within the general policy of the Authority, carry out all administrative, financial and technical affairs of the Authority, according to the Authority's regulations and rules within the limits of the approved annual budget. He shall carry out, in particular, the following:

- 1- Propose the Authority's plans, programs and projects; and follow up the implementation thereof after approval.
- 2- Set the Authority's draft organizational structure.
- 3- Set draft administrative and financial regulations, human resources regulations and other regulations governing the Authority's affairs.
- 4- Prepare the Authority's estimated annual budget and its final accounts.
- 5- Propose the Authority's licensing requirements, controls and procedures.
- 6- Propose inspection rules and procedures and supervise persons and bodies licensed by the Authority.
- 7- Propose regulations of financial and administrative sanctions for any breach of licensing requirements and controls.
- 8- Propose fees for services provided by the Authority.
- 9- Supervise directly the Authority's operations.
- 10- Implement the decisions of the board or the Chairman.

- 11- Prepare an annual report on the achievements, projects and operational programs of the Authority and submit such report to the Chairman at the end of each financial year.
- 12- Other functions assigned to the CEO by the Board or the Chairman.

Article 18

The Chief Executive Officer shall represent the Authority before the courts and in its relations with others.

Article 19

Neither the Chairman, nor the Vice-Chairman, a Member of the Board, the Chief Executive Officer, or any employee of the Authority, shall have a direct or indirect personal interest in the contracts concluded with or for the Authority, or in the projects carried out by the Authority, or in any other field of its activities

Article 20

The Authority's board members, CEO or any employee, during their work with the Authority, are prohibited to practice in the private sector any function, profession or work that is related to the Authority's work, or provide any service or consultation, directly or indirectly, or participate in the membership of the board of directors of any body regulated by the Authority or any related body. To be excluded the functions of the councils and committees formed or supervised by the State.

Article 21

The Authority's board members, employees, auditors, and agents, or any paid or unpaid person working in or with its committees, shall maintain the confidentiality of data and information related to the Authority's affairs or to the bodies regulated by the Authority, if they had access to this information or statements during the performance of their functions, except in cases authorized by the law or through the implementation of a judicial order or judgment. This prohibition shall continue to be effective even after the end of service of such persons.

Article 22

The Board Chairman and members, the CEO and employees of the Authority shall not bear any civil liability in respect of their bona fide acts or abstention to act, while performing or trying to perform their functions and duties in accordance with the provisions of this law, regulations, rules and decisions issued in pursuance hereof.

Chapter IV Financial System of the Authority

Article 23

The Authority's sources of income shall consist of:

- 1- Financial assistance allocated by the State.
- 2- Revenues of the Authority's services fees.
- 3- Proceeds of penalties imposed according to the provisions of this law.

4- Any other resources collected by the Authority through the performance of its activities or the investment of its reserves.

Article 24

The Authority shall have an estimated annual budget, and a private account to deposit its funds in one of the approved banks in the State.

The Authority's financial year shall start on 1 April and end by the end of March each year.

Article 25

The Authority shall establish from its annual surpluses cash reserves that ensure its financial stability on the long term. The Board shall decide the nature and amount of such reserves

Article 26

The Authority shall keep books and records related to its returns, expenses, assets, liabilities, and all its transactions.

Article 27

The Audit Bureau shall control the Authority's accounts in accordance with the law.

The Authority may appoint one or more auditors who shall be in charge of controlling the Authority's accounts and the funds it manages. The auditor shall be entitled, anytime, to review all the Authority's books, records, and documents, and to request the data which he deems necessary to perform his duties correctly. He shall also have the right to verify the Authority's assets and liabilities, and submit a report to the board.

Chapter V

Regulation and Supervision of the Financial Markets Activities

Article 28

The Authority shall regulate, supervise and control the financial markets activities in accordance with the provisions of this law, regulations, rules and decisions issued in pursuance hereof.

Article 29

A person shall be eligible to conduct financial markets activities only after obtaining a license by the Authority stating the permitted activity or activities.

The requirements, controls and procedures for granting licenses and the standards of practicing the activity shall be decided by the Board pursuant to the provisions of this law.

Article 30

The Board shall issue all regulations, rules and decisions required for the regulation of the financial markets activities. The Board shall namely:

1. Set requirements, controls and procedures for licensing financial markets, related activities, depositaries, and the manner in which they shall be operated.
2. Determine securities dealings considered as market activities.
3. Set conditions and procedures for securities offering to the public on the markets subject

to the Authority's jurisdiction, and the requirements for obtaining the Authority's approval of the prospectus, adopted by the Ministry of Business and Trade, in order to ensure that the prospectus contains comprehensive, accurate and sufficient disclosure of information that interest the investors.

4. Set conditions for licensing to list and trade securities on financial markets subject to the Authority's jurisdiction, particularly conditions of periodic and immediate disclosure of operations and activities outcomes, substantial developments and events that influence the price of Securities, transparency of trading, fairness and integrity of markets dealings, corporate governance, control, merger, acquisition, financial adequacy, professional competence, and integrity of directors and controllers of listed companies.
5. Set conditions, controls and procedures of granting licenses to financial services companies and other professionals in financial markets and approve the disciplinary system.
6. Set the rules and conditions related to the purchase and possession of securities issuers.
7. Approve the rules and requirements relating to financial markets that are issued by persons subject to the Authority's jurisdiction.
8. Set and approve rules for complying with professional ethics, efficiency and integrity of licensed persons.
9. Set conditions and procedures for considering complaints and appeals against the financial markets decisions, bodies and persons subject to the Authority's jurisdiction.
10. Establish mechanisms for resolving disputes that may arise from transactions related to securities mainly a committee to settle disputes by arbitration and other methods of alternative dispute resolution; and a disciplinary committee for the violations of the provisions of this law, rules and regulations.

Article 31

The Authority may, by written notice, issue instructions to financial markets and other persons subject to the Authority's jurisdiction. Financial markets and persons shall incorporate such instructions in their applicable rules and shall commit to observe them. The Authority may request such markets and persons to prepare or amend specific rules on their scope of work in a specified time. If they do not comply with the request or the timelines specified in the request, the Authority may, on their behalf, prepare or amend these rules and compel them to bear the cost.

Article 32

The Authority shall investigate any contravention to the implementation of the Authority's law, regulations, rules and decisions issued in pursuance hereof, and to assist any non-Qatari regulators, upon its request, with investigations regarding the contravention of legislations related to securities.

The Authority shall also inspect and visit the premises of the regulated parties and persons to ensure compliance with such provisions, including conducting periodic inspections by virtue of a prior notice, or immediate inspection without any prior notice.

Article 33

The persons subject to the provisions of this law shall do whatever is required to assist the Authority in meeting its regulatory purposes, in particular to:

1. Allow the Authority's representatives to access any registers, documents, files, tapes, computers, or any other methods used for storing or processing information.
2. Facilitate the work of the Authority's representatives while performing their duties.
3. Provide the Authority with copies of any reports or documents requested by the Authority.

Article 34

No person shall deal in securities or exercise any other act that results in influencing the price or the value of securities, whenever such act is based on information not disclosed to the public, or where such act may give a wrong or misleading idea about the securities, or may cause a disruption in the financial markets.

Article 35

In the event of a violation by any person, of any provision of this law, regulations or decisions issued in pursuance hereof, the Authority may take all or some of the following measures:

1. Issue instructions indicating corrective measures that should be carried out by the violating party.
2. Issue a warning.
3. Censure the violating party.
4. Impose restrictions on the activities carried out by the persons subject to this law.
5. Prevent any person from dealing for a specific period of time.
6. Suspend work or operations for a specific period of time not exceeding six months.
7. Take over the management of the exchange for a specific period of time.
8. Cancel the transactions and the resulting consequences related to the violation.
9. Suspend trading in securities for a specific period of time.
10. Impose a financial penalty not exceeding (QR 10, 000) (ten thousand Qatari Riyals per day) per day in case of continuous violations.
11. Impose a financial penalty not exceeding (QR 10,000,000) ten million Qatari Riyals.
12. Prevent any person from practicing any work in bodies subject to the Authority's jurisdiction.

The Authority may compel the violating party to return funds or compensate the prejudiced party. The Authority shall notify the violating party of the decision regarding the imposition of the penalty, and may publish such decision in any manner it may deem appropriate. The Authority may have a settlement with the violating party in accordance with its applied procedures and measures.

Article 36

The Authority may temporarily suspend the granted license or revoke it as the case may be, in any of the following cases:

1. If the license is obtained upon false or misleading information or documents.

2. If the licensee does not meet any of the licensing conditions.
3. If the licensee breaches any of the provisions of this law, regulations, rules, decisions or instructions issued in pursuance hereof or relevant laws.
4. If the licensee breaches any condition stipulated in the license.
5. If the licensee stops practicing the authorized activity.
6. In case of providing misleading or inaccurate information that results in damages to third parties as estimated by the Authority.
7. If the licensee cannot meet its obligations, or the financial adequacy requirements in accordance with the provisions of this law, regulations, rules and the decisions issued in pursuance hereof.
8. If a decision to liquidate or dissolve the licensee is issued.
9. Any other cases determined by the Board.

Article 37

A committee called “Appeals Committee” shall be established. It shall be chaired by one of the presidents of the Court of Appeals and shall include the membership of two judges of the Court of Appeals nominated by the Supreme judiciary Council as well as two experts in securities trading nominated by the Board.

A decision shall be issued by the Council of Ministers regarding the appointment of the chairman, members and procedures of the committee.

The Secretariat of the Committee shall be undertaken by one or more of the Authority’s employees. Their secondment and remunerations shall be determined by the CEO.

Article 38

The above committee shall have the power to decide appeals of punitive decisions issued by the Authority, and its decisions shall be final and reasoned. Concerned parties may challenge these decisions before the competent circuit of the Court of Appeals.

Article 39

Evidence in securities cases shall be allowed by any means of proof, including electronic data extracted from a computer, telephone recordings, text messages, telex and fax correspondence and other electronic devices.

Chapter VI

Sanctions and Precautionary Measures

Article 40

Without prejudice to the financial penalties imposed by the Authority under the provisions of this law, regulations, rules and decisions issued in pursuance hereof, or any greater sanction provided for in any other law; a person shall be punished by imprisonment for a period not exceeding three years and a fine not less than (QR 50,000) fifty thousand Qatari Riyals and not exceeding (QR 10, 000,000) ten million Qatar Riyals or either of these two penalties, if such person commits any of the following:

1. Discloses any confidential information he came to know while performing his duties or dealings, on application of the provisions of this Law.

2. Deals in financial markets on the basis of undisclosed information he came to know while performing his duties.
3. Spreads rumors in order to influence financial markets dealings.
4. Provides untrue statements, information, declarations in order to influence market dealings.
5. Conducts sham transactions for the purposes of monopoly and trust abuse.
6. Concludes agreements or transactions in order to manipulate the securities prices and achieve profits at the expense of other traders.
7. Omits, conceals, or withholds essential information required to be provided and disclosed to the Authority by law.
8. Conducts an act involving false or misleading representation or impression in order to influence market dealings.
9. Breaches the provisions of articles 29, 33, and 34 of this Law.
10. Attempts to commit any act stipulated in this Article.

Article 41

A sanction shall be doubled in case of recidivism. On application of the provisions of this law, a person shall be considered as a recidivist, if he commits a crime similar to another crime he previously committed and was punished for the violation of the relevant provisions of this law, before the lapse of five years as of the end of sentence serving or cancelation due to period lapsed.

Article 42

The person who is in charge of the management of a legal person de facto shall be punished by the same sanctions set out for acts that contravene the provisions of this law, if its knowledge is evidenced; or if its failures to duties imposed by such management contributed in the occurrence of the crime.

A legal person shall be jointly liable to pay the ordered fines and compensations if the violation is committed by one of legal person's employees, in the name of or for the legal person.

Article 43

The public prosecutor may issue a decision solely or upon the Authority's request, for investigation purposes, to temporarily cease the performance of duties, employment, or profession by every person that the public persecution is investigating with, for any offense set forth in this law.

Any person that has been referred to the criminal court shall cease the performance of work duties by the force of law, unless the court decides otherwise during the trial proceedings upon a request from the concerned person or upon the court's initiative.

Article 44

If there is sufficient and adequate evidence proving the involvement of a person or a group of persons in one of the offenses pursuant to this law, or upon the Authority's request, the public prosecutor may ban such person from travelling or funds administering. The public prosecutor may as well take all precautionary measures in terms of all or part of the funds and assets controlled by the accused persons or others, without prejudice to the right of the Authority or to any stakeholder of taking all judiciary precautionary measures.

The public prosecutor may take the same procedures against the accused person's minors or

spouse's funds.

The public prosecution's decision may be appealed before the competent court within thirty (30) days as of the date of the notice servicing through an appropriate means.

Article 45

The public prosecutor shall take a decision about the Authority's request set out in the previous article within twenty-four hours as of the submission time. Any rejection shall be reasoned.

The Authority may appeal the decision before the competent court within fifteen (15) days as of the public prosecutor's decision date, and the Court shall issue its judgment expeditiously.

Article 46

The value of the reserved funds shall not exceed the value of the maximal financial penalty that may be imposed on the accused person in addition to the estimated damage compensation.

The Public Prosecutor or the competent court may request the Authority's assistance to estimate the value of the benefit obtained by the accused person and the estimated damage compensation.

Article 47

The public prosecutor or the competent court may, upon the Authority's request or any concerned party's request, dismiss the precautionary measures if the accused person provides sufficient collaterals that are accepted by the Authority or the Court.

Article 48

If the accused person is ordered to cease the administration of its funds, the public prosecutor shall appoint an administrator to manage the relevant funds. The administrator shall be nominated by the Authority, which determines the obligations, powers and controls of the administrator's functions.

Article 49

The Chairman or his delegate may settle the offenses stipulated in this Law, before the case is indicted or during the trial and before issuing the final judgment; subject to the payment of half of the maximal fine prescribed for each penalty.

This settlement shall result in the discharge of the criminal case and its consequential effects. The Public Prosecution shall order the stay of execution of the penalty if settlement has been agreed during the implementation thereof.

Article 50

The Authority's employees approved, through a public prosecutor's decision upon an agreement with the Governor, shall have the capacity of judicial officers to detect and evidence all violations to the provisions of this law.

Chapter VII General provisions

Article 51

The Governor shall submit to the Council of Ministers, within three months as of the end of the Authority's financial year, a detailed annual report on the Authority's activities, projects, operations, functioning and its financial position. The report shall include the proposals and recommendations of the Governor and it shall be accompanied by a copy of the Audit Bureau report.

Article 52

The Council of Ministers may, at any time, request from the Governor to submit reports on the Authority's administrative, financial, and technical positions; any aspect of the Authority's activities; or any information related thereto.

The Council of Ministers may issue general directives regarding the procedures to be followed by the Authority in all matters related to the Authority's activities.

Article 53

The Authority may establish or approve the establishment of one or more funds for insurance risk funds. The Authority shall determine all matters related to the fund, including its objectives, management methodology, membership conditions, financial resources, asset management, operations mechanisms and liquidation.

Article 54

Any funds payable for the Authority under this law, shall have priority over all the debtor funds, and shall have priority over all the debts after judicial expenses and alimony debts. The Authority shall have the power to collect such funds in accordance with the applicable rules regarding the collection of government funds.

Article 55

The Chairman shall issue the regulations, rules, decisions, instructions and circulars required for the implementation of this Law. Till such date, the regulations, rules, decisions, instructions and circulars in force shall continue to be applied to the extent that they do not contradict with the provisions of this Law.

Article 56

Law no. 33 of 2005 and any provision contrary to the provisions of this law shall be null.

Article 57

All competent authorities concerned, each in its competence, shall implement this law.
This law shall be published in the Official Gazette.

Hamad Bin Khalifa Al Thani

Emir of the State of Qatar

Issued in the Amiri Diwan on: 19/9/1433H

7/8/2012