

QFMA's Board Decision No. (7) of 2025

Amendments to QFMA's Board Decision No. (1) of 2014

Concerning the Rules of Licensing and Regulating the Depository

The Board of Directors,

Having considered Law No. (8) Of 2012 of Qatar Financial Markets Authority; as amended by Decree-Law No. (22) Of 2018;

QFMA Board Decision No. (1) of 2008 Concerning the Issuance of the QFMA Regulation;

The QFMA's Board Decision No. (1) Of 2014 Concerning the Rules of Licensing and Regulating the Depository;

After coordination with the Qatar Central Bank;

On the proposal of the QFMA's Chief Executive Officer;

The QFMA's Board approval at its third meeting of 2025/87 on 9 September 2025;

And as required by the public interest,

We have decided the following:

Article (1)

The provisions of Articles 1, 2, 3 and 33 of Decision No. (1) of 2014 mentioned above, shall be replaced with the following:

Article (1)

In accordance with the implementation of these rules, the following words and phrases shall have the meaning set opposite them, unless the context requires otherwise:

State: the State of Qatar

Authority: Qatar Financial Markets Authority (QFMA).

Depository: A company licensed by the Authority to carry out the Depository functions.

Senior Management: Chairman and members of the Board of Directors of the company, or a directors' panel or the equivalent as the case may be.

Senior Executive Management: Chief Executive Officer and all executive managers reporting directly to him.

Authority's Legislations: Law No. (8) of 2012 regarding Qatar Financial Markets Authority, the rules, regulations, decisions and circulars issued by the Authority.

Market: Financial market licensed for dealing in Securities, pursuant to the Authority's Legislations.

Member: Issuer of Securities listed on the Market.

Settlement Member: A financial services company whose activities require it to be a Depository's member after the Authority's approval.

Securities: shares, bonds and sukuk of Qatari shareholding companies; bonds, sukuk and bills issued by the government or any Qatari authority or public institution, or any other non-Qatari Securities licensed by the Authority. Derivatives, commodities and other investment instruments licensed by the Authority are considered as Securities.

User: Any person who is not a Settlement Member who is provided the services of the Depository.

Incomplete Settlement: A trade or a transaction in securities of which settlement cannot take place on the due day in accordance with these rules, whether that is due to payment not being made, or the particular securities are not delivered.

Link: An arrangement between the Depository and other entity in order to facilitate the transfer, deposit or registration of Securities between Members or Settlement members.

Registrar: A firm licensed by the Authority to perform the function of registration of Securities;

Foreign Depository: an entity licensed by a competent regulator in a jurisdiction outside the State to perform the functions of a depository, or to perform functions similar to those of a Depository, outside the State.

Article (2)

Functions

The Depository performs any one or more of the following functions:

- a. Registration of Securities
- b. Depositing of Securities.
- c. Transfer of ownership and safekeeping of securities.
- d. Clearing and settlement of Securities.
- e. Evidence of trading in Securities, such as buying and selling of Securities, transfer of ownership, registration, pledge, freeze and distribution of profits and other transactions.
- f. Any other functions related to Securities, which are determined by the Authority.

The Depository may perform only the function of registration of Securities if the following conditions are satisfied:

- 1 - the Securities are bonds and sukuk of Qatari shareholding companies; bonds, sukuk and bills issued by the government or any Qatari authority or public institution, or any other non-Qatari bonds or sukuk licensed by the Authority; and
- 2 - the Depository is directed by the Authority to act only as Registrar in relation to the Securities under Article 33.

Article (3)

Licensing Conditions & Procedures

Taking into account the provisions of the applicable laws in the State of Qatar, no person shall be eligible to conduct the functions of a depository in the State unless they have obtained a license from the Authority. A Foreign Depository does not conduct depository functions mentioned in Article 2 in the State where it conducts those functions in respect of Securities outside of the State.

Article 33

Registering and Depositing Securities

- 1 - Securities listed on the Market must be:
 - a. registered and deposited with the Depository, or
 - b. registered with the Depository, where the Authority gives notice that a Security, or a Security a particular type, is only to be registered with the Depository (being a Security of

- a type mentioned in Article 2 as a Security that the Depository may act as Registrar for) and other depository functions are to be performed by a Foreign Depository.
- 2 - Other non-listed Securities may be registered and deposited in accordance with conditions prescribed by the Depository and approved by the Authority.
 - 3 - Securities deposited with the Depository must be registered and deposited as requested by the issuer in accordance with the Depository's requirements. The request shall include all the basic data of issuance, for example, but not limited to, the Securities' type, number, and nominal value, the issuance currency, subscribers' names, number of subscribed Securities, the name of the issuer, details of previous issuances, and any other information requested by the Depository.
 - 4 - If the Depository acts only as Registrar for Securities, those Securities must be registered as requested by the issuer in accordance with the Depository's requirements. The request shall include all the basic data of issuance, for example, but not limited to, the Securities' type, the issuance currency, the name of the issuer, details of previous issuances, details of the Foreign Depository and any other information required by the Depository.
 - 5 - Issuers of Securities are responsible for the validity of data, reports and lists delivered to the Depository. The Depository is committed to securely maintain the records of Securities registered or deposited, and to have the necessary systems for maintaining those records.
 - 6 - The Depository's records and accounts, written or electronic, or any other document issued by the Depository detailing registration, ownership, transfer of ownership, or settlement of Securities shall be legal evidence of that fact, in accordance with the data and dates in those records, accounts or documents issued, unless the contrary is proven. However, where the Depository is acting only as Registrar, the Depository's records shall be limited to legal evidence of the fact of registration and the status of the Foreign Depository as nominee in accordance with Article 33 (bis) of these rules.
 - 7 - The Depository may enter into appropriate arrangements with a Foreign Depository to enable them to exercise their functions in relation to Securities that are registered with the Depository and deposited with the Foreign Depository. Those arrangements may include:
 - a. the Depository becoming a settlement member of the Foreign Depository and opening an account with the Foreign Depository as nominee for investors resident or established in the State;
 - b. establishing a Link with the Foreign Depository subject to the Authority's approval under Article 39 of these rules.

Article (2)

Article 33 bis shall be inserted into the Rules of Licensing and Regulating the Depository:

Article (33) (bis)

Depository acting only as Registrar

- 1 - If the Depository acts only as Registrar for a Security, the Foreign Depository must open a registration account with the Depository acting as Registrar. Procedures for opening such an account and for exercising any right of the Foreign Depository to close the account may be specified by the Depository.
- 2 - The Security must be registered in the registration account in the name of the Foreign Depository with whom the Securities are deposited. Securities are registered in that account in the name of the Foreign Depository as nominee on a pooled basis for its clients for whom the Securities are held on deposit with the Foreign Depository. The registration account is referred to as an omnibus registration account. Therefore, the Foreign Depository as nominee shall be entitled to:
 - a. exercise all rights associated with the Securities as a nominee, exercising rights and powers on the Securities for the benefit of the underlying clients;
 - b. the Securities registered in the omnibus registration account are not subject to seizure, liquidation or bankruptcy procedures in the State where those procedures relate to the Foreign Depository;
 - c. the Securities registered in the omnibus registration account are not capable of being attached or being subject to other liquidation or bankruptcy procedures in the State relating to an underlying client of the Foreign Depository.
- 3 - The Depository acting as Registrar must ensure that any omnibus registration account opened by a Foreign Depository is recorded separately from any other account opened by the Foreign Depository.
- 4 - To avoid doubt, Securities registered in an omnibus registration account are owned by the Foreign Depository's clients in proportion to their holdings as recorded at the Foreign Depository. The Foreign Depository shall not be treated as the owner of the Securities registered in the account for purposes including, but not limited to:
 - a. ownership limitations or holding restrictions, such as foreign ownership limitations;
 - b. reporting requirements relating to ownership.
- 5 - The Foreign Depository's record of Securities registered in the account and the clients on whose behalf they are registered is to be taken as legal evidence of the number of Securities owned by a client and registered in that account.

- 6 - If the Depository acts only as Registrar for a Security, the Depository may open an account with the Foreign Depository for the purposes of holding Securities on deposit on a pooled basis as nominee for investors resident or established in the State.

Article (3)

All competent authorities, each within their jurisdictions, shall implement this decision. The decision shall be effective from the date of issuance and shall be published in the Official Gazette.

Bander bin Mohammed bin Saoud Al-Thani

Chairman of the Board of Directors

Issued on 17/4/1447 H

Corresponding to: 09/10/2025

This is a translation of the Official Arabic version. In case of any discrepancies, the Arabic version shall prevail.