

INTRODUCTION OF LIQUIDITY INCENTIVE SCHEME- MARKET MAKER REBATE (100%)

This information is issued in accordance with the DFSA AMI Rule 6.9 “Liquidity Incentive Schemes”.

Summary of LIS

The LIS offers a 100% rebate of trading and clearing fees provided to Nasdaq Dubai Members in their capacity as Market Makers and who have entered into a Nasdaq Dubai Market Maker Agreement in respect of a specified security or securities Admitted to Trading on Nasdaq Dubai. *

Details of LIS

- **Description of the LIS**

Nasdaq Dubai offers all Market Makers, licensed to act as a Market Maker on Nasdaq Dubai, the opportunity to participate in the ‘Nasdaq Dubai Liquidity Incentive Scheme – Market Maker Rebate (100%)’ (the ‘LIS’).

The LIS allows Market Makers the chance to receive 100% rebate on all their trading and clearing fees incurred whilst performing Market Maker activities for specified Securities Admitted to Trading on Nasdaq Dubai, in line with an executed Market Maker Agreement. There is no cap on the maximum level of rebate available to Market Makers participating in the LIS. The LIS is aimed at encouraging Market Makers to develop a highly liquid market and may be tailored to any of the Securities Admitted to Trading on Nasdaq Dubai. Nasdaq Dubai maintains discretion to limit the number of Market Makers participating in this LIS subject to market conditions.

The scheme will benefit Nasdaq Dubai, its Members and other market participants in that it creates an incentive for the Market Maker to fulfil its obligations by maintaining a sufficient supply and demand in the shares to facilitate a reliable price formation process and thereby enhancing liquidity.

- **Commencement**

This LIS becomes operative upon publication of this Circular.

- **Minimum Duration**

This LIS will remain in effect until further notice.

- **Eligibility Requirements**

To be eligible to participate in the LIS, a company must ensure that they are a Member of Nasdaq Dubai and that they have the appropriate licenses allowing them to operate as a Market Maker, this may also include licensing authorising the firm to conduct market making activities by its home regulator.

- **General Requirements**

Under the Market Maker Agreement, the Market Maker will be obliged to maintain specific minimum bid and ask order sizes in the order book, refreshed every 10 minutes of the Trading Day, for a pre-agreed duration, stated in Market Maker Agreement Schedule (expressed as a percentage of the Trading Day). Also include in this Schedule would be items such as the maximum spread required between the bid and ask prices, the date on which the LIS is to become operative and any other Security Specific Market Maker obligations.

The Market Maker may agree with Nasdaq Dubai to put in place USD exposure caps which may serve to limit maximum USD positions or maximum USD losses relating to Market Maker activities (excluding proprietary trading activities). When such agreed limits are reached, certain Market Maker obligations under the Market Maker Agreement cease for that trading day. Any relevant detail will be specified in the Market Maker Agreement Schedule.

Members interested in becoming a Nasdaq Dubai Market Maker should contact:

Nasdaq Dubai Membership

Tel: 971 4 305 5463

Email: membership@nasdaqdubai.com