

DFSA BOARD OF DIRECTORS

Summary of Outcomes

8 February 2017

The DFSA Board of Directors (Board) met in Dubai on 8 February 2017.

Presentation - Economic Update

The Policy and Strategy Division delivered a presentation on the global economic outlook for 2017 and associated risks.

Overview of the Chairman

An update was given on the Chairman's recent visit to Hong Kong with two Board Members and the Director of International Relations. The Chairman was invited by the Financial Secretary to speak at the Asian Financial Forum's opening morning. During the visit the Chairman met with the Chairman of the Securities and Futures Commission and the Chairman of the Hong Kong Monetary Authority, as well as with the Financial Secretary.

The Chairman reported on a meeting with the Chairman of the European Securities and Markets Authority in Paris, France.

The Chairman commented that regional engagement remains a priority and he intends to visit Saudi Arabia to meet with SAMA and the CMA in March, together with the DFSA's Managing Director of Supervision, the Chief Operating Officer and the Director of International Relations. The Chairman also intends to visit Oman to meet the President of the CMA and Governor of the Central Bank of Oman.

He reported that he has been invited to attend the Government Summit in Dubai and that the DFSA would participate next year.

At the Chairman's invitation, Board Member Dr J Andrew Spindler provided his perspective on the evolving US regulatory landscape.

Chief Executive's Report

The Chief Executive reported on key policy matters as well as general regulatory and internal DFSA matters.

He briefed the Board on the launch of the DIFC's FinTech initiative and mentioned that Accenture was involved with this initiative, as is the case with the FinTech initiatives in Hong Kong, New York and London.

The Chief Executive reported that the recent confirmation by the European Commission that the DFSA's regulatory framework for central counterparties has been classified as equivalent to that of the European Union was very positive.

The Head of Markets reported that the equity derivatives market shows strong signs of growth.

The Director of International Relations provided an update on international engagement and presented forward plans.

Audit Committee

The Chairman of the Audit Committee presented the 2016 Audited Financial Statements. The Board approved the Financial Statements on the recommendation of the Audit Committee.

Remuneration Committee

The Board approved the 2016 staff bonus proposals and the 2017 staff remuneration strategy on the recommendation of the Remuneration Committee.

Legislative Committee

The Legislative Committee reported that Consultation Paper No. 109 "Crowdfunding: SME Financing Through Lending" had been issued and that the Committee had approved the issue of Consultation Paper No. 111 "Crowdfunding: SME Financing Through Investing".

Risk Committee

The Risk Committee received a verbal update on Anti-Money Laundering matters and considered an updated 2017 Risk Inventory and the mitigating programmes. It also discussed the impact of unilateral US sanctions on firms as well as the UN and UAE sanctions which applied locally.

The Risk Committee also reviewed and approved the Risk Tolerance Statement subject to amendments that were discussed. The final version will be presented at the Board Strategy Day in April 2017 for approval.

The next meeting of the Board will be in Beijing on 18 April 2017.