

ON A REFERENCE AGAINST A DECISION OF THE DUBAI FINANCIAL SERVICES
AUTHORITY

BETWEEN

ZACHARY CEFARATTI (DFSA Ref No: 1008593)
DALMA CAPITAL MANAGEMENT LIMITED (DFSA Ref No: F002345)
Applicants

and

THE DUBAI FINANCIAL SERVICES AUTHORITY
Respondent

ORDER

UPON the FMT Decision on liability and penalty dated 31 January 2023

AND UPON the FMT holding that Orders of Restriction and Prohibition (as defined below) be imposed on Zachary Cefaratti (**Mr Cefaratti**), to be suspended for two years

IT IS HEREBY ORDERED THAT:

1. If Mr Cefaratti fails to comply with any term of this Order, from the date upon which this Order is made until 31 January 2025 (the **Period**) he will:
 - 1.1 be prohibited pursuant to Article 90(2)(g) of the Regulatory Law 2004, preventing him from holding office in or being an employee of any Authorised Person, DNFBP, Reporting Entity or Domestic Fund (**Prohibition**); and
 - 1.2 be restricted pursuant to Article 59 of the Regulatory Law 2004, restricting him from performing any function in connection with the provision of Financial Services in or from the DIFC (**Restriction**).
2. In the event of any actual or suspected non-compliance with this Order the parties have permission to apply to the FMT to enforce the Order or make such further orders as the FMT sees fit. Any such application shall be dealt with by the FMT as soon as reasonably practicable.

3. On the date upon which this Order is made, Mr Cefaratti will accept a restriction from performing the Licensed Function of Senior Executive Officer (**SEO**) at Dalma Capital Management Limited (**Dalma**) under Article 58(1)(c) of the Regulatory Law 2004 (**Temporary Restriction**).
4. For the duration of the Period Mr Cefaratti will cease to carry out his role as the SEO of Dalma by restricting all activities in relation to the functions he carries out in connection with the provision of Financial Services in or from the DIFC save as set out under paragraph 5 below.
5. During the Period, Mr Cefaratti will:
 - 5.1 only carry out reasonable activities in connection with the ongoing management of Dalma in order to ensure continuity of business and to ensure, to the extent possible, that the status-quo of such business is maintained. In this context reasonable activities include the ability to provide support for Dalma's existing client engagements, and ongoing obligations under those engagements, save where such engagements and ongoing obligations involve discretionary trading or active investment management, or are otherwise contrary to this Order. To the extent that Mr Cefaratti attends to matters within the scope permitted by this Order, he will do so subject to the supervision of a senior authorised person within Dalma;
 - 5.2 not participate in any promotional activities in connection with the development of new clients for Dalma. In this context, promotional activities include the solicitation of any new clients but would not include situations where new clients may contact or wish to speak to Mr Cefaratti as the founder of Dalma (i.e. including attending calls and meetings with these clients, but only at their unsolicited request). During any such meetings or calls Mr Cefaratti will be supervised by a senior authorised person within Dalma and will not be providing any trading or investment management advice;
 - 5.3 cease to refer to himself as Dalma's SEO or Chief Executive Officer (**CEO**), and on company materials will only refer to himself as the 'founder' or 'co-founder' of Dalma;
 - 5.4 refrain from giving any interviews to local or international media in relation to the business of Dalma and its funds;
 - 5.5 refrain from any trading or investment decisions on behalf of Dalma or its funds;

- 5.6 suspend his role as Chairman of the Board of Directors of Dalma; and
- 5.7 not participate in any board meetings or board committees.
- 6. For the avoidance of doubt, Mr Cefaratti's involvement and activities (to the extent that such activities and involvements do not constitute a function in connection with the provision of Financial Services in or from the DIFC) for entities located outside of the DIFC will not be restricted, including directorships of and involvements in non DIFC entities, including funds such as:
 - 6.1 AIM Summit FZE (Ras al Khaimah)
 - 6.2 Dalma Special Opportunities Limited (Cayman)
 - 6.3 Dalma Classic Car Fund (Cayman)
 - 6.4 Dalma Dynamic Opportunities Limited (Cayman)
 - 6.5 Dalma Safron Fund (Cayman)
 - 6.6 Sentinel Energy Alpha Fund (Cayman)
 - 6.7 Dalma Capital Management Limited (Bermuda)
 - 6.8 BR Capital SPC (Cayman)
 - 6.9 BBAC Limited (Cayman)
- 7. During the Period Mr Cefaratti and Dalma (signed by the Compliance Officer or the interim SEO) will provide a monthly attestation that this Order is being fully complied with, or, if necessary, fully and frankly report any suspected or actual non-compliance with this Order.
- 8. Provided that there is full compliance with this Order:
 - 8.1 paragraphs 4, 5 and 7 above shall cease to apply at the expiry of the Period; and
 - 8.2 within 7 days of the end of the Period, the DFSA will exercise its power under Article 58(8) of the Regulatory Law 2004 to withdraw the Temporary Restriction where it is reasonable to do so.

Issued by: **His Honour David Mackie KC**

President of the FMT

31 January 2023