Royal Decree

46/2022
On the Issuance of the Securities Law

,We, Haitham bin Tarik, Sultan of Oman

Pursuant to the perusal of the Basic Statute of the State, The Capital Market Law promulgated by Oman Sultani Decree No. 80/1998, The Commercial Companies Law promulgated by Oman Sultani Decree No. 18/2019, After referring to the Council of Oman, And based on the public ,interest requirements

:Have decreed the following

Article 1

.The provisions of the enclosed Securities Law shall be applied

Article 2

The Chairman of the Board of Directors of the Capital Market Authority shall issue the Implementing Regulation of the attached Law, within one year from the date of its entry into effect. And he shall issue the decisions necessary to implement its provisions; and until their issuance, the regulations and decisions in effect shall remain effective to the extent that is not .inconsistent with the provisions of the attached Law

Article 3

The entities addressed by the provisions of this Regulation shall adjust their situation within six (6) months from the date of its entry into effect, and the said period may be extended by a .decision of the Board of Directors of the Capital Market Authority for another six (6) months

Article 4

The Provisions of the aforementioned Capital Market Law shall be abrogated, except for Articles from (46) to (58). Any provision that is contrary to or inconsistent with the provisions of this .Decree and the attached Law shall also be abrogated

Article 5

This Decree shall be published in the Official Gazette and shall come into effect on the next day .following the date of its publication

Issued on: 16 Dhi Al Qi'dah 1443 H. Corresponding to 16/06/2022

Haitham bin Tariq Sultan of Oman

Chapter 1

Definitions and General Provisions

Article 1

In applying the provisions of this Law, the following terms and expressions shall have the meaning assigned against each of them, unless the context requires otherwise:

a- Authority: The Capital Market Authority.

b- Board: The Board of Directors of the Authority.

c- Securities: Any financial contracts, equity rights, or debt instruments that are negotiable and transferrable, such as shares, bonds, sukuk, and any other notes set forth in the present Law or specified by the Board.

d- Dealing: Performing the activities relating to the Securities or providing the Securities-related services and products.

e- Customer: Any person who deals with any of the Entities subject to the Provisions of this Law or in any Securities or Securities-related services and products.

f- Issuers: The person who issues or purposes to issue any Securities, or the person assuming the duty and responsibility of issuance of Securities on behalf of another person.

g- Entities subject to the Provisions of this Law: The Capital Market Institutions mentioned in Article 14 of this Law, the entities operating in the field of Securities mentioned in Article 21 of this Law, the Issuers or the providers of Securities-related services or products, credit rating companies, and any other entity specified by a decision of the Board.

h- Special Purpose Company: A juristic person licensed by the Authority, which is established for the purpose of issuance of sukuk, or assets' safeguarding, or any other purpose indicated by the Regulation.

i- Trust: An independent entity that aims to maintain and safeguard the assets that are the subject matter of the Trust, to the benefit of the beneficiaries, pursuant to the requirements mentioned in the Trust Deed, and the provisions of this Law and the Regulation.

j- Trust Deed: The document issued for the establishment of the Trust, according to the provisions of this Law and the Regulation.

k- Fund: The Customers' Protection Fund mentioned in Article 47 of this Law.

l- Regulation: The Implementing Regulation of the present Law.

Article 2

This Law aims, in particular, to achieve the following:

a- Ensuring the regulation of the Dealing in cohesion with fairness, competitiveness, and transparency.

b- Promoting and encouraging small and medium-sized enterprises by way of regulating the method for these enterprises to obtain funding from the public.

c- Protecting the interests of the Customers.

d- Ensuring the integrity and efficiency of the Securities Market, and achieving the fairness and transparency of the transactions conducted through the said market.

.e- Managing the risks arising from or relating to Dealing in Securities

Article 3

No person may engage in activities or provide Securities-related services or products, unless after obtaining a licence from the Authority. And no services may be provided to the Entities subject to the Provisions of this Law, such as auditing, assessment, credit rating, and consultancy services, and any other entity indicated by the Regulation, unless after registration with the .Authority

Article 4

The crowdfunding of small and medium-sized enterprises and the trading of shares or Securities issued by them, may be exempted from certain provisions of this Law by a decision of the Board, and the said transactions shall be subject to the regulation, supervision, and control of the .Authority, in the manner indicated by the Regulation

Article 5

Without prejudice to the provisions of the Common Customs Law for the Arab States of the Gulf (GCC States), a Special Purpose Company shall be exempted from the Foreign Capital Investment Law promulgated by Oman Sultani Decree No. 50 /2019, and the income tax set forth in the Income Tax Law promulgated by Oman Sultani Decree No. 28/2009, and it shall be exempted from the fees specified by a decision of the Board. The Special Purpose Company may own fixed .and movable assets

Chapter 2

The Authority

Article 6

For the purpose of implementing the provisions of this Law, the Authority shall, in particular, :have the following competencies

a- Seizing, examining, and auditing the documents, entries, paper and electronic records issued, .in accordance with the provisions of this Law

b- Effecting electronic linkage between the Authority and the Entities subject to the Provisions of .this Law

c- Compelling the Entities subject to the Provisions of this Law to provide the Authority with any .information, data, or reports, as indicated by the Regulation

d- Conducting the necessary investigation upon the occurrence of any violation of the provisions of the present Law, and its implementing regulations, decisions, and instructions, or upon the occurrence of any violation of the provisions of the Securities Laws outside the Sultanate of Oman, and that is at the request of any party inside or outside the Sultanate of Oman, and .taking the necessary measures against the offenders

e- Compelling the Entities subject to the Provisions of this Law by adopting the best practices and international standards in effect in the regulation of their business and the making of .Securities

f- Safeguarding the Customers engaged with the Entities subject to the Provisions of this Law, through adopting the charter of professional conduct, self-control, and discipline in practising the activities of the said entities, in addition to the mechansim for receiving and resolving the .complaints and reports of the Customers engaged with the said entities

g- Approving the application of technology and digital virtual investments, or any products or

services in the fields relevant to the provisions of this Law, in the manner indicated by the .Regulation

h- Requesting any information, data, or documents from entities inside or outside the Sultanate of Oman, whether related to an investigation or examination process conducted by the .Authority or by other entities or individuals

Article 7

The Authority may exchange the conclusions of the investigation in the violations, in addition to the information and data resulting from exercising its competencies with the competent entities or counterpart entities, inside or outside the Sultanate of Oman, in the manner indicated by the .Regulation

Article 8

Any interested person may request from the Authority to have access to any documents, registers, and minutes relating to the Entities subject to the Provisions of this Law, and to obtain data or official copies of the same, according to the rules and procedures, in return for a fee .specified by the Regulation

The Authority may refuse the request if the dissemination of the required data or copies may inflict damage to the Entities subject to the Provisions of this Law, or may prejudice the public .interest or the investors' interests, provided that the refusal decision is justified

Article 9

When exercising any of the competencies involving an issue related to the field of Securities and :Securities-related services and products, the Authority shall comply with the following

a- Enhancing the level of competitiveness and innovation in the services and products provided by the Entities subject to the Provisions of this Law, and facilitating an equal access of the clients .to them

b- Ensuring that the cost of any obligations imposed by the Authority on the Entities subject to the Provisions of this Law, is in commensurate with the benefits that may revert to the .Customers

c- Ascertaining that the interests of the Entities subject to the Provisions of this Law are in .conformity with the interests of the Customers therewith

Chapter 3

The Entities subject to the Provisions of this Law

Article 10

:The Regulation shall demonstrate, particularly, the following

a- The conditions and procedures for the incorporation, licensing, and registration of the Entities .subject to the Provisions of this Law

b- The activities practised by the Entities subject to the Provisions of this Law, which require .licensing or registration with the Authority

c- The regulations laid down by the Entities subject to the Provisions of this Law, and the .documents and registers that must be retained by them, and the retention periods

.d- The activities that may not be practised by the Entities subject to the Provisions of this Law

.e- The activities or entities that do not require any licensing or registration with the Authority

f- The information and registers that may be exchanged between the Entities subject to the .Provisions of this Law, and any other entity

g- The fees of services and products provided by the Capital Market Institutions, and the entities .operating in the field of Securities

Article 11

The person managing any of the Entities subject to the Provisions of this Law shall implement the policy of its Board of Directors, and the decisions issued by the same, and ensure the compliance of the said entity with this Law, the regulations, and the decisions issued by the Authority and with the relevant laws and shall represent it in its relationships with a third party and before the courts

Article 12

In performing their activities, the Entities subject to the Provisions of this Law shall comply with :the following

.a- The Charter of Professional Conduct laid down by the Authority

b- Placing the interest of the Customers dealing with it at the top of its priorities and .transactions

c- Submitting information and data relating to the services or products related to Securities that are not listed in the Securities exchange market, to the Authority, prior to making any offer to its clients or the public or prior to accepting any offer made by them regarding the provision of the .said services or products, in the manner indicated by the Regulation

d- Not to include in the contracts concluded with the Customers any condition, which may prejudice the rights of the Customers or their interests, or otherwise the said condition shall be .deemed null

e- Maintaining the secrecy of the information related to the Customers, and not to make them .available to a third party unless with an explicit approval from the Customer

f- Confirming to the Customers with low-solvency and little experience in the business of Securities markets, that the services or products are appropriate for their personal conditions, risk tolerance, objectives, and needs, and that any conflict with the interests of the Customers .have been sufficiently disclosed

If the Customer wishes to benefit from the Securities services or products, regardless of the said risks, then they must be illustrated along with the approval of the Customer on his ability to .withstand the said risks, in a written statement

g- Avoiding any harmful or misleading conduct, such as the provision of inaccurate or misleading information on any significant aspects of the product or service, or the Securities' service provider, or on the fees, costs, risks, withdrawal procedures, or the applicable supervisory .restrictions, or other matters

h- Providing the Authority and the competent authorities with any information or data .requested

i- Making a disclosure, in writing, to the Customers of any sufficient information, in a clear, simple, and transparent language, including comparisons with similar products, and granting .them sufficient time to understand the information prior to accepting the transaction

j- Notifying the Customers directly of any change of substantial information provided to them, if

its impact is still existing at the time of the change and informing the Customers with the options .available to them, including the procedures for the termination of the transaction

The marketing activities, and the execution of the sale and purchase orders of Securities listed in a local Securities exchange market shall be exempted from the requirement of effecting .comparison with similar products, mentioned in Clause (i) of this Article

Article 13

:The Entities subject to the Provisions of this Law shall verify the following

a- That the transactions with related parties have been made fairly and equally, and that the .conditions of these transactions are non-preferential

b- That the assets of the clients are calculated and maintained separately with banks or licensed Capital Market Institutions, so that they would not be affected in the case of insolvency of the .Entity that is subject to the provisions of this Law, or if it is exposed to unfavourable conditions

c- Providing the capital resources necessary to contain any unpredicted losses, as may be .determined by the Authority

Article 14

:The Capital Market Institutions shall include the following

a- Securities Exchange: The entity licensed to establish or provide a real market or electronic .system that brings together the purchasers and the sellers of Securities

b- Small and Medium-Sized Enterprises Stock Exchange: The entity licensed to establish or provide a real market or electronic system that brings together the purchasers and the sellers of .(stock or Securities of the small and mediumsized enterprises (SME

c- Clearing Institution: The entity licensed to engage in a transferring process, and in effecting conformity and confirming the settlement of the obligations or the transfer of Securities, among .the transacting parties or their agents prior to the settlement process

d- Central Counterparty: The entity licensed to act as an intermediary between the transaction .or contract parties in one Securities Exchange or more

.e- Depository Institution

.f- Settlement Institution

The Regulation shall demonstrate any other competencies of the said institutions, and whatever .considered among other Capital Market Institutions, and their competencies

Article 15

Upon the approval of the Board, the Capital Market Institutions shall lay down the regulations .governing their activities licensed according to the provisions of this Law

Article 16

The Capital Market Institutions may be compelled by a justified Board Decision, to take prompt corrective measures that may be burdened by a deadline, regarding the ownership, governance, management, operational measures, and others, if it is evidenced to the Authority that any of the said institutions is incapable or is likely to become incapable of fulfilling any of the obligations or requirements imposed upon it by virtue of this Law, and its implementing .regulations and decisions

Article 17

:The depository institution shall be competent to perform the following

a- Registering and transferring the ownership of the Securities maintained by it to the name of the transferee upon receiving the appropriate information, according to the forms and .verification procedures prepared by the institution for this purpose

b- Keeping an electronic register demonstrating the names of the beneficiaries of the Securities .and related rights

c- Exchanging required information and registers with the Issuers, the entities operating in the field of Securities, and any other entity approved by the Authority as indicated by the .Regulation

Article 18

A beneficiary may not place the Security under mortgage, whether with or without its proceeds, unless after notifying the depository institution according to the rules and forms prepared by the .institution for this purpose

Article 19

:The settlement institution shall be competent to perform the following

a- Effecting Securities' lending, on condition of obtaining an explicit permission from their owner, .according to its bylaws and the rules indicated by the Regulation

b- Controlling the mortgaged assets or the collaterals deposited with it by the Customers, regarding any transactions made through it. The mortgage right or collateral shall remain .effective until the transaction performed or initiated by the concerned Customer is fulfilled

c- Using the assets or collaterals to settle any claims that may arise from any transaction .performed by the concerned Customer

Article 20

No Capital Market Institution may cease or back out of the settlement of any transaction that has been executed according to the provisions of its bylaws or to the provisions of this Law or .the Regulation or its Implementing Decisions

Article 21

The entities engaged in any of the following activities shall be considered among the entities :operating in the field of Securities

.a- Brokerage

.b- Market Making

.c- Safekeeping and custody services

.d- Asset management

.e- Margin financing

.f- Investment banks

.And any other activities indicated by the Regulation

Article 22

The Securities Exchange shall regulate the activities of the entities engaged in the brokerage .business, market making, and margin financing, in the manner indicated by the Regulation

Article 23

The entities operating in the field of Securities shall incorporate an association to ensure compliance with the professional conduct standards and the recognised international criteria while exercising their activities. A decision of the Authority shall be issued for the establishment of the association, provided that the decision includes the terms relating to its incorporation, the volume of contribution of each member, and the penalties that may be imposed on the .members

The joining of the association by these entities shall be considered a condition for obtaining the .licence from the Authority

Article 24

No Capital Market Institution or any of the entities operating in the field of Securities may decide to cease its activity, or to undergo a change of control, or to merge or be acquired, or to raise or reduce its capital, or to liquidate itself or dissolve its business, unless after obtaining the approval of the Authority and the competent entities, as the case may be, according to the rules .indicated by the Regulation

Article 25

The Capital Market Institutions and the entities operating in the field of Securities shall commit to obtain the approval of the Authority prior to the appointment of the members of the board of directors and the chief executive officer, and other senior professionals indicated by the .Regulation

Article 26

The Capital Market Institutions and the entities operating in the field of Securities shall, at the time of appointment of the employees therein, comply with the requirements and conditions indicated by the Regulation. The Authority shall publish the names of the employees of the said institutions and entities who have a direct relationship with the public, altogether with their qualifications and expertise, and any other information, in such way as it may deem .appropriate

Chapter 4

The Securities

Article 27

:The Securities shall include, particularly, the following

.a- The shares

.b- The bonds, payment vouchers, and any other type of debt instruments

.c- The sukuk

.d- Deposit receipts

e- Financial derivatives contracts listed on the Securities Exchange, such as spot and forward contracts, option contracts, and futures based on value or differences in value of an underlying Security or more, or commodities, currencies, interest rates, returns, energy, financial indicators, .or credit rating, and any other contracts or basis approved by the Board

.f- The Securities issued by the Government, and public authorities and institutions

g- Transferrable warehouse receipts issued by warehouses recognised by the Authority, and which specify the quantity, type, quality, and grade of the commodity maintained in return for .the said receipt

.h- The Security-related rights and products

.i- Any part or a whole contract of a collective investment fund

.j- Any other Securities specified by the Board

Article 28

No Securities may be issued or prepared to be issued or offered through a public or private offering inside the Sultanate of Oman, unless after obtaining the approval of the Authority, according to the requirements indicated by the Regulation. Short-term Securities whose term does not exceed one year, and which are issued by the Central Bank of Oman for the purposes of .implementation of the monetary policy and liquidity management, shall be exempted

Article 29

.The issuance, trading, and custody of Securities shall be made electronically only

Article 30

Dealing in financial derivatives contracts not listed on the Securities Exchange shall be limited to the parties of high solvency and experience in financial derivatives, under the conditions and .rules indicated by the Regulation

Article 31

Every Security offered for subscription shall be listed on the Securities Exchange of the Sultanate .of Oman, unless exempted by the Authority. The Regulation shall indicate the exemption rules

In case the Issuer wishes to issue additional Securities of the category of Securities listed on the Securities Exchange within the Sultanate of Oman, then in this case, the said Issuer shall list them in on the same Stock Exchange in which the same category is listed, prior to listing in any .other Stock Exchange inside or outside the Sultanate of Oman

Article 32

Without prejudice to the provision of Article 28 of the present Law, the person wishing to perform a public issue of any Security shall obtain the advance approval of the intended Securities Exchange and shall comply with the governance and disclosure requirements, and any .other requirements indicated by the Regulation

Article 33

The Securities Exchange may cancel the listed Security, after obtaining the approval of the Authority. The Issuer shall submit to the Authority a proof of approval of the shareholders and shall make a fair proposal to the minority shareholders to purchase their Securities if they wish so, according to the rules indicated by the Regulation. The Regulation shall set forth the cases .requiring the minority shareholders to sell their Securities in return for a fair consideration

Article 34

It is prohibited to engage in any harmful practices. A harmful practice includes any of the :following

a- Dealing or inducing a third party to engage in Dealing, on the basis of an undisclosed inside .information

b- Failing to disclose any substantial information on a Security, and which are required to be .disclosed by Law

c- Misusing undisclosed or confidential inside information to achieve personal objectives or gains .to a third party

d- Publishing or giving incorrect or misleading information or data, which may affect the price of .any Security or reputation of any Issuer or the investment decision of any Customer

e- Causing the leaking of information that may not be available to the public, to a certain .person

f- Manipulating any Security through giving fake orders or by initiating an unsound transaction or .by using any means of fraud or deception

g- Trading or authorising the trading of Securities without the regular settlement of the related .obligations, as indicated by the Regulation

h- Any other practice that is inconsistent with the integrity and fairness of the transactions, as .indicated by the Regulation

Article 35

The Issuers shall ensure fair and equal treatment of the owners of the Securities, and that all the .distributions due to them must be settled through the depository institution

Article 36

The owners of the Securities listed on the Securities Exchange shall be provided with the opportunity to sell their Securities at a fair price, in case of any change of control over the Issuer or in case of increase of the percentage of ownership of the shares by any person, including the persons who act upon prior agreement and coordination, according to the rules indicated by the .Regulation

Chapter 5

Trusts and Collective Investment Funds

Article 37

The Trust or a collective investment fund may not be established unless with a licence from the Authority, according to the rules and conditions indicated by the Regulation. The Foreign Capital .Investment Law shall not apply to the Trust and to the collective investment fund

Article 38

The Trust and the collective investment fund shall be treated as an independent legal entity and shall be registered with the Authority. Their financial assets may not be included within the actual accounts of the originating or managing entities, and also the revenues achieved may not be included within the accounts of the said entities, and shall not be subject to liquidation in .case of declaration of their bankruptcy

Article 39

The personal creditors of the shareholders of a Trust and a collective investment fund or their beneficiaries may not claim the settlement of their debts from the assets of the Trust or the .collective investment fund

Article 40

The originating or managing entities of the Trust or the collective investment fund shall regulate and manage the affairs of the Trust or the collective investment fund, as indicated by the .Regulation

Article 41

The Authority or any other entity approved by the Authority shall maintain detailed, comprehensive, and up-to-date registers of every Trust or collective investment fund, according .to the rules and conditions indicated by the Regulation

Article 42

The licence on the establishment of the Trust or the collective investment fund shall be revoked in case of termination of the purpose of their establishment or if it is proved that their establishment was contrary to the provisions of the present Law, the Regulation, or any other .cases indicated by the Regulation

In all cases, the revocation decision shall be justified

Article 43

The Trust shall be responsible for the management and regulation of the affairs and business activities of the collective investment fund or the structured products, or the Special Purpose Companies, or for the management of the Securities portfolios, or any other purpose specified .by a decision of the Board

Article 44

The collective investment fund shall be responsible for the pooling of assets and savings and for investing them in various investment aspects. The shareholder may not have control over the .investment decisions and the day-to-day operations

Article 45

Without prejudice to the Income Tax Law promulgated by Oman Sultani Decree No. 28/2009, the collective investment fund offered for public subscription shall be exempted from the income .tax, and the Trust also

Article 46

The collective investment fund may issue units of equal rights for the assets of the Trust and .offer them for subscription, according to the rules indicated by the Regulation

Chapter 6

The Customers' Protection Fund

Article 47

A Fund shall be established at the Authority under the name "Customers' Protection Fund", with the membership of the entities operating in the field of Securities and aims to compensate the Customers engaged with the said entities upon the occurrence of any losses that may be inflicted to their assets withheld by it. The Regulation shall specify the following: the activities covered by the Fund, the responsibilities and contributions of the stockholders, the filing procedures of compensation claims, the rights and obligations of the Fund, the authorised loan percentages, the persons entitled to compensation, and the supervision and control fees received by the .Authority, and other matters

Article 48

:The Fund may not cover the following two cases

a- The losses that may inflicted to the assets of the Customers arising from any change in the market value, or due to entering into inappropriate investments, or upon the default of the .Issuer of the Security, which is the subject matter of the investment

b- The losses that may be inflicted to the assets of the Customers who have offered them as a loan or as a collateral for an entity operating in the field of Securities under an agreement .thereof

Article 49

A compensation from the Fund may not be combined with any other compensation, or otherwise the latter said compensation shall be deducted from the amount of compensation .provided by the Fund

Article 50

:The following parties may not be entitled to a compensation from the Fund

a- The employee or member of the board of directors or the owner of 5% or more of the capital .of the entity operating in the field of Securities that are the subject matter of the compensation

b- The person who has the authority to exercise an influential control over the management or the policies of the entity operating in the field of Securities that are the subject matter of the .compensation, in the manner indicated by the Regulation

.c- The person who has caused or contributed to the loss

.d- The person who has been dealt with on preferential basis

.e- The settlement or clearing institution

.f- Any entity operating in the field of Securities, and which acts on its own behalf

Article 51

The Board may request the Fund to interfere to support any members of the Fund, who encounter financial difficulties threatening their continuity, if it deems that the interest of the national economy requires so, and to such extent not exceeding one-third of the net assets of .the Fund, according to the rules and conditions indicated by the Regulation

Article 52

If it is evidenced to the Authority that the bankruptcy of a member of the Fund was declared, the Authority shall appoint a liquidator, and specify the scope of his work and provide him with instructions, and the liquidator shall submit his reports to the Authority. If the assets of the .clients are not defined, they shall be distributed among them in equal percentages

The clients who lose their assets with the licensed entity under dissolution, shall occupy the first .class among the creditors

Article 53

The assets that pertain to the Customers and maintained by any entity operating in the field of .Securities, may not be subject to the claims of the creditors of the company

Article 54

The Authority may seize the assets of the member of the Fund who is exposed to significant financial difficulties, which may threaten the assets of his clients, or whose licence is revoked according to the provisions of Article 58 of the present Law, or whose bankruptcy is declared, and that is until his situation is adjusted or until the termination of the licence revocation .proceedings or dissolution, according to the procedures indicated by the Regulation

Chapter 7

The Reporting of Violations and the Administrative Penalties

Article 55

The employees, who are specified by a decision of the statutory competent authority in agreement with the Authority, shall have the law enforcement capacity within the scope of .application of the provisions of the present Law, the Regulation, and its implementing decisions

Article 56

The Regulation shall specify the mechanism under which the Authority will receive the reports on the incidents that may involve violations of the provisions of this Law, the Regulation, and its implementing decisions. The Regulation shall also specify the mechanism to examine and decide .the said reports

Article 57

:The following acts shall constitute violations according to the provisions of this Law

a- Violating the decisions, instructions, and orders issued in implementation of the provisions of .this Law and the Regulation

.b- Committing any of the acts set forth in Article 34 of the present Law

.c- Failure of the Issuer to provide substantial information on public or private offering

d- Failure to submit any books, documents, registers, or information in the form or within the .time indicated by the Regulation or the Authority

e- Recommending Securities or Securities-related services or products or professional services .that are not commensurate with the financial capabilities and experience of the Customer

f- Submitting a misleading advice, or which is clear of any statement of substantial information, .or which involves a conflict of interests

Article 58

The CEO of the Authority may impose one or more of the following administrative penalties in the case of any violation of the provisions of the present Law, the Regulation, or its :implementing decisions

.a- Warning

.b- Issuing a general warning statement to the public

c- Issuing specific mandatory instructions requesting the offending entity to adjust its situation .within the period specified by the Authority

d- Administrative fine of not less than one thousand (1,000) Omani rials, and not exceeding two .hundred thousand (200,000) Omani rials

.e- Administrative fine that is not less than double the achieved profit or the sustained loss

f- Ceasing the exercise of any of the activities mentioned in the present Law or the Regulation, .either temporarily or permanently

g- Suspending the licence, temporarily, together with the removal of the violation within the .time limit specified by the Authority

h- Ceasing the employment of any individual in any of the Entities subject to the Provisions of .this Law, either temporarily or permanently

.i- Revoking the licence

Article 59

Without prejudice to the provision of Clause (e) of Article 58 of the present Law, the Authority may compensate the Customers for the actual losses sustained by them as a result of imposing the aforementioned penalty, if any, according to the conditions and procedures indicated by the .Regulation

Article 60

A committee for grievances shall be set up by a decision of the Board and shall be composed of two (2) judges who are at least in the position of a judge of the first instance court, to be nominated by the competent judiciary authority, and the committee shall be presided by the most senior, together with one competent representative or who has an experience in the .Securities, as nominated by Oman Chamber of Commerce and Industry

The committee shall examine the grievances filed against any decision issued by the Chairman of the Board of Directors of the Authority or the Authority, by virtue of this Law, the Regulation, .and its implementing decisions

The Regulation shall specify the procedures regulating the activities of the committee

Article 61

If there are evidence on the existence of any violation that is impossible to avoid, and which may inflict damage to the Customers or to the capital market sector, the CEO of the Authority may, by :a justified decision, impose any of the following penalties

a- Ceasing the offender, temporarily, from engaging in any specific actions or activities, for a .period not exceeding thirty (30) days

b- Ceasing any Dealings in the assets that are the subject matter of the violation, for a period not .exceeding thirty (30) days

The concerned persons may submit a grievance against the decision imposing any of the penalties mentioned in the preceding Paragraph, to the Grievances Committees mentioned in Article 60 of the present Law, within fifteen (15) days from the date of their notification of such decision. The Committee shall decide the grievance within fifteen (15) days from its filing date. .The grievance shall be deemed to be accepted if it is not decided within the said period

Article 62

Without prejudice to the provision of Article 61 of the present Law, the grievances shall be submitted by the concerned persons to the Grievances Committee mentioned in Article 60 of the present Law, within sixty (60) days from the date of having knowledge of such decision, provided that the Committee decides the grievance within thirty (30) days from the date of the grievance, .and its decision shall be deemed final

Chapter 8

The Penalties

Article 63

Without prejudice to any other greater penalty provided for in any other Law, the crimes set forth in the present Law shall be subject to the penalties mentioned therein.

Article 64

Any person who commits any of the acts mentioned in Article 57 of the present Law shall be sentenced to imprisonment for a period of not less than (3) months and not exceeding two (2) years, and to a fine of not less than one hundred thousand (100,000) Omani rials, and not exceeding two hundred thousand (200,000) Omani rials, or to either one of these two penalties.

Article 65

Shall be sentenced to imprisonment for a period of not less than (3) months and not exceeding five (5) years, and to a fine of not less than one hundred thousand (100,000) Omani rials, and not exceeding three hundred thousand (300,000) Omani rials, or to either one of these two penalties, any person who commits any of the following acts:

a- Exercising any of the activities mentioned in the present law without obtaining the necessary licences or approvals.

b- Dealing in or disposing of the assets of the Customer held by any of the Entities subject to the Provisions of this Law, in violation of the provisions of this Law, the Regulation, and the decisions issued by the Authority, or after ceasing or revoking the licence granted to the said Entity or announcing its liquidation or bankruptcy.

c- Disclosing the confidential information of the Customers, and making them available to a third party, without an explicit approval of the Customer or by virtue of a law or a court decision.

d- Submitting, deliberately, false or misleading information or as a result of negligence in any investigation conducted by the Authority.

e- Issuing or preparing to issue Securities, or offering them through public or private offering, without the approval of the Authority

Article 66

Any person who violates the provisions of this Law, the Regulation, and its implementing decisions shall be sentenced to imprisonment for a period not less than (3) months and not exceeding one (1) year, and to a fine of not less than ten thousand (10,000) Omani rials, and not exceeding one hundred thousand (100,000) Omani rials, or to either one of these two penalties.

Article 67

The Authority may enter into conciliation regarding the crimes mentioned in the present Law, the Regulation, or their implementing decisions, and that is prior to the initiation of the public action, and after the offender settles a fine of not less than the maximum statutory fine. The Authority may not reopen the case of the violation unless in the instances where it is proved that there is fraud or involves the provision of false information during the conciliation process.

Article 68

The partner or accomplice in the crimes mentioned in the present law shall be sentenced to the same penalty prescribed for the offender, and any attempt of the said crimes shall also be punished, not to exceed half the maximum penalty prescribed for a complete crime.

Article 69

The penalty shall be doubled in case of recidivism. In applying the provisions of this Law, any person who commits a crime similar to another crime for which he has been previously sentenced or the person with whom a conciliation has been made, according to the provisions of this Law, within two (2) years from the sentencing date or the conciliation date, shall be considered to be a recidivist.