

Federal Law no . 6

Issued on 7/11/2010

Corresponding to 28 Shawwal 1431 H .

ON CREDIT INFORMATION

We , Khalifa Bin Zayed Al Nahyan , President of the United Arab Emirates ,

Pursuant to the perusal of the Constitution ; and

Federal Law no . 1 of 1972 on the jurisdictions of the ministries and the powers of the ministers and the amending laws thereof ; and

Federal Law no . 7 of 1976 on the establishment of the State Audit Bureau and the amending laws thereof ; and

Federal Law no . 10 of 1980 on the Central Bank , the monetary system and the regulation of the banking profession and the amending laws thereof ; and

Federal Law no . 8 of 1984 on the commercial companies and the amending laws thereof ; and

Civil Transactions Law issued by virtue of Federal Law no . 5 of 1985 and the amending laws thereof ; and

Penal Law issued by virtue of the Federal Law no . 3 of 1987 and the amending laws thereof ; and

Law of Proof in the Civil and Commercial Transactions Law issued by virtue of the Federal Law no . 10 of 1992 , and the amending laws thereof ; and

Commercial Transactions Law issued by virtue of Federal Law no . 18 of 1993 ; and

Federal Law no . 4 of 2000 on the Emirates Securities and Commodities Exchange and Authority and the amending laws thereof ; and

Federal Law no . 4 of 2002 on the incrimination of money laundering ; and

Federal Law no . 1 of 2006 on e - transactions and e - commerce ; and

Federal Law no . 2 of 2006 on the combat of IT crimes ; and

Federal Law no . 9 of 2006 on the population record and ID card system ; and

Upon the proposal of the Minister of Finance , the consent of the Cabinet and the Federal National Council and the approval of the Federal Supreme Council ,

Have promulgated the following Law :

Article 1 : Definitions

In the implementation of the provisions hereof , the following terms and phrases shall have the meanings assigned to each thereto unless the context requires otherwise :

Central Bank : UAE Central Bank

Credit Information : Financial data related to a person , the financial commitments , current and prior payments and financial rights thereof , clarifying the creditworthiness thereof , provided by the information provider and based on which the credit record and credit information reports are prepared .

Company : Company established in implementation of the provisions hereof to request , gather , preserve , analyze , categorize , use and circulate credit information , prepare the credit record , issue credit information report , and prepare and develop tools and criteria of dangers and all matters related thereto as per the provisions hereof .

Information Provider : Any party submitting to the company credit information acquired thereby through their usual works with any person as per the provisions of the present Law and the implementing regulation hereof .

Rules of Conduct : A binding series of restrictions imposed on the information provider and information report receiver to control the request , gathering , preservation , analysis , categorization , use and circulation of credit information and the mechanism of conflict resolution and the determination of policies and operational procedures of said information .

Information report receiver : whoever is entitled to receive the credit information report as per the provisions of the present Law and the implementing regulation thereof .

Credit record : Record prepared by the company , including all credit information of a person gathered from numerous sources . Such information must be organized in a chronological order , and shall be used to prepare the credit information report .

Credit information report : Electronic or paper report issued by the company based on the request of the information report receiver . It shall include correct , factual , accurate and updated information , and details of the description and status of the creditworthiness and capacity of a person as per the provisions hereof .

The company , in all cases , must keep a record of approvals .

Person : Any natural or juridical person on behalf of whom credit information may be submitted .

Article 2 : Scope of Application of the Law

The provisions hereof shall be applied as follows :

1 - The company , the information provider and the information report receiver .

2 - Whoever is related to credit information as determined by the implementing regulation hereof .

Article 3 : Rules of Exchange of Credit Information

The present Law shall organize the request , gathering , preservation , analysis , categorization , use , circulation and protection of credit information and whatever is related thereto .

Article 4

The request , gathering , preservation , analysis , categorization , use , circulation and protection of credit information and the preparation of credit records and credit information reports and the organization of such operations shall be subject to restrictions set by the Central Bank , and such subject to the provisions of the present Law and the implementing regulation thereof .

Article 5

The gathering and circulation of information and data directly or indirectly related to the details or facts of a private life of a natural person , or the opinions , beliefs or health thereof shall be prohibited .

Article 6

1 - Prior to the issuance of credit information report , the prior written approval of the person must be obtained .

2 - The company may contact the person directly to receive said approval whenever it receives the request to issue a credit information report that is not accompanied by said approval .

3 - The company may request that it be provided with credit information to prepare and develop a credit database without the need to obtain the approval of the person thereon .

Article 7

The credit information , credit record and credit information report , gathered and kept , may neither be used nor be circulated unless for purposes agreed upon or for the purposes for which such information were provided as per the provisions of the present Law and the implementing regulation thereof .

Article 8

Credit information , credit record and credit information report shall be deemed confidential by nature , and shall be used for the activities of the company only , and among parties set forth in the present Law and as per the provisions hereof . They may not be disclosed or divulged in a direct or indirect manner unless by virtue of a written approval of the person , the heirs , legal representative or proxy thereof , or upon the request of pertinent judicial authorities , and within the extent required for the investigations and actions examined thereby .

Article 9 : Credit Information Company

The company shall be established in view of requesting , gathering , preserving , analyzing , categorizing , using and circulating credit information . It shall have a juridical personality and the necessary legal capacity to practice the activities thereof .

The Cabinet shall determine the statute and work mechanism of the company .

Article 10

No natural or juridical person , except for the company , may request , gather , preserve , analyze , categorize , use and circulate credit information and matters related thereto .

Article 11

Subject to the restrictions issued by the Central Bank , the company shall commit to the following :

1 - It shall not divulge or disclose credit information to third parties unless as per the provisions of the present Law and the implementing regulation thereof .

2 - It shall set modern systems and create a periodically updateable database in which all matters related to credit information , credit record and credit information reports are kept .

3 - Protect the security of the company and information from loss , destruction , or illegal and unsafe access , use or amendment , including the use of support and data retrieval systems in cases of emergencies .

4 - Prepare archived credit records that are accurate and factual , and process such records in timely , correct and safe manner .

5 - Commit to using credit information as per the provisions set forth in the present Law and the implementing regulation thereof .

Article 12

Credit information shall be dispatched to the company via certain electronic forms , and shall be preserved thereby after being processed , thanks to a support system that guarantees the workflow , and such as determined by the implementing regulation hereof .

Article 13

As per the provisions hereof , the Central Bank and the information provider shall be linked to the company's database as determined by the implementing regulation hereof .

Article 14

1 - Commercial and investment banks , financial institutions and other entities added by the implementing regulation hereof must provide the company with the credit information required thereby .

2 - The company shall enter into agreement with the information provider that include in particular the forms of credit information request forms and the dates of submission thereof .

Article 15

The company shall enter into agreement with the information report receiver in order to regulate the use of the credit information report and all conditions , provisions and forms related to the protection of credit information and the preservation of the confidentiality thereof .

Article 16 : Jurisdictions of the Central Bank

In its capacity as the pertinent control authority over the activities of the company by virtue of the provisions hereof , the Central Bank shall enjoy the following jurisdictions :

- 1 - Control and supervise the good performance by the company of the tasks entrusted thereto .
- 2 - Set restrictions imposed on the company in the practice of the activities thereof , the rules of conduct and all matters related thereto .
- 3 - Issue any instructions or guidelines for the company .

Article 17 : Sanctions

Shall be sentenced to imprisonment for a period of two years at least , and to a fine amounting to AED 50,000 at least , or to either penalty :

- 1 - Whoever divulges credit information , credit information report or credit record in cases other than the ones set forth by virtue of the provisions of the present Law and the implementing regulation thereof .
- 2 - Whoever acquires credit information or credit information report , or accesses the credit record without obtaining the required approvals by virtue of the provisions of the present Law and the implementing regulation thereof , or by using fraudulent means or incorrect information .
- 3 - Whoever breaches the confidentiality required for the credit information , credit record and credit information report .
- 4 - Whoever ill - intentionally distorts data or submits incorrect credit information to the company .

Article 18

Subject to the sanctions set forth in the previous article , whoever breaches any other provision of the present Law and the decisions issued in implementation thereof shall be sentenced to imprisonment and to a fine amounting to AED 10,000 at least , or to either penalty .

Article 19

The perpetration by a public official or any other employees in the company of any of the crime set forth in the present Law shall be deemed an aggravating condition .

Article 20

The infliction of the sanctions set forth herein shall breach neither any severer sanction set forth in any other law , nor the civil liability of the infringer .

Article 21 : General Provisions

Officials selected by virtue of a decision by the Minister of Justice in agreement with the Minister of Finance shall have the capacity of judicial investigation officers , each within the jurisdictions thereof , in proving infringements to the provisions of the present Law and the decisions issued in implementation thereof .

Article 22

The implementing regulation hereof shall determine the following :

- 1 - The mechanism of submission of credit information request and data thereof .
- 2 - The rights and obligations of all pertinent parties .
- 3 - The term of preservation of credit information and the period covered by the credit information report .
- 4 - Beneficiaries from credit information and the sum to be paid in order to obtain such information in light of the restrictions set by the Central Bank in this regard .
- 5 - Persons entitled to acquire credit information reports .
- 6 - The mechanism of submission and examination of complaints related to credit information .

Article 23

The Ministry of Finance , in coordination with the Central Bank shall prepare the implementing regulation hereof which shall be issued by virtue of a Cabinet decision .

Article 24

Restrictions set by the Central Bank shall be issued by virtue of Articles 4,11,16,23 and 24 hereof , and shall be published in the Official Gazette .

Article 25

Every provision contradicting or contravening with the provisions hereof shall be abrogated .

Article 26

The present Law shall be published in the Official Gazette , and shall come into force as of the day following the date of publication thereof .

Promulgated by Us in the Presidential

Palace in Abu Dhabi

On Shawwal 28,1431 AH

Corresponding to October 7,2010

Khalifa Bin Zayed Al Nahyan

President of the United Arab Emirates