

Federal Law No. (6) of 2010 on Credit Information

We, Khalifa bin Zayed Al Nahyan

President of the United Arab Emirates

Having perused the Constitution,

- And Federal Law No. (1) of 1972 regarding the Competencies of Ministries and the Powers of Ministers, and its amending laws,
- And Federal Law No. (7) of 1976 on the establishment of the State Audit Institution, and its amending laws,
- And Federal Law No. (10) of 1980 concerning the Central Bank, the Monetary System, and the Organization of the Banking Profession, and its amending laws,
- And Federal Law No. (8) of 1984 regarding Commercial Companies, and its amending laws,
- And the Civil Transactions Law issued by Federal Law No. (5) of 1985, and its amending laws,
- And the Penal Code issued by Federal Law No. (3) of 1987, and its amending laws,
- And the Law of Evidence in Civil and Commercial Transactions issued by Federal Law No. (10) of 1992, and its amending laws,
- And the Commercial Transactions Law issued by Federal Law No. (18) of 1993,
- And Federal Law No. (4) of 2000 concerning the Emirates Securities and Commodities Authority and Market, and its amending laws,
- And Federal Law No. (4) of 2002 on the Criminalization of Money Laundering,
- And Federal Law No. (1) of 2006 on Electronic Transactions and Commerce,
- And Federal Law No. (2) of 2006 on Combating Information Technology Crimes,
- And Federal Law No. (9) of 2006 on the Population Register and ID Card System,

And based on the proposal of the Minister of Finance, the approval of the Cabinet and the Federal National Council, and the ratification of the Federal Supreme Council,

We have issued the following Law:

Article (1)

Definitions

In the application of the provisions of this Law, the following words and phrases shall have the meanings assigned to each of them, unless the context of the text indicates otherwise:

The State: The United Arab Emirates.

The Central Bank: The Central Bank of the United Arab Emirates.

Credit Information: A person's financial data, financial obligations, current and past payments, and financial rights, including their revenues, movable and immovable assets, any banking transactions, and other necessary data and information relevant to credit information, which clarifies their credit eligibility and capacity, provided by an Information Provider, and upon which the Credit Record is prepared.

The Company: The company established for the purpose of carrying out activities and business related to credit information.

Information Provider: Any entity that provides credit information to the Company, obtained through its usual business with any person in accordance with the provisions of this Law and its Executive Regulations, including federal and local government agencies and institutions, commercial and investment banks, financial institutions, insurance companies, and companies established in the State or in free zones.

Code of Conduct: A binding set of rules applicable to the Information Provider and the Information Report Recipient to regulate the process of requesting, collecting, retaining, analyzing, classifying, using, and circulating credit information, the mechanism for resolving disputes, and determining the operational policies and procedures for such information.

Information Report Recipient: One who is entitled to receive the credit information report in accordance with the provisions of this Law and its Executive Regulations.

Credit Record: The record prepared by the Company, containing all of a person's credit information, collected from multiple sources, arranged in chronological order, and upon which the Credit Information Report is based.

Credit Information Report: A report issued by the Company at the request of the Information Report Recipient, containing data that clarifies the credit eligibility and capacity of a person.

Credit Score: A scoring system indicator issued by the Company based on the Credit Record, which determines the eligibility and capacity of a person in various credit and financial sectors.

Person: Any natural or legal person about whom credit information may be provided.

Article (2)

Scope of Application of the Law

The provisions of this Law shall apply to the following:

1. The Company, the Information Provider, and the Information Report Recipient.
2. Anyone who has a relationship with credit information as determined by the Executive Regulations of this Law.

Article (3)

Rules for Exchanging Credit Information

This Law regulates the activities of requesting, collecting, retaining, analyzing, classifying, using, circulating, and protecting credit information and related matters.

Article (4)

The process of requesting, collecting, retaining, analyzing, classifying, using, circulating, and protecting credit information, and preparing credit records and credit information reports and their organization, shall be subject to the controls set by the Central Bank, taking into account the provisions of this Law and its Executive Regulations.

Article (5)

It is prohibited to collect and circulate private information and data related directly or indirectly to the details or facts of a natural person's private life, opinions, beliefs, or health condition.

Article (6)

1. The Information Report Recipient must obtain the consent of the person being inquired about before issuing the report. This consent may be in writing or by any other legally acceptable means.
2. The Company may request to be provided with credit information to prepare and develop its credit database, without requiring the person's consent.
3. Notwithstanding paragraph (1) of this Article, the Information Report Recipient may request the Company to issue a credit information report on any of their debtors in accordance with the controls issued by the Central Bank in this regard.
4. The Credit Score may be requested and issued without requiring the consent of the person being inquired about, in accordance with the controls set by the Central Bank.

Article (7)

It is prohibited to use and circulate the credit information, credit record, and credit information report that are collected and retained, except for the purposes for which they were contracted or for which such information was provided, in accordance with the provisions of this Law and its Executive Regulations.

Article (8)

Credit information, the credit record, and the credit information report are considered confidential by nature and are to be used only for the purposes of the Company's activities and between the parties stipulated in this Law and in accordance with its provisions. They may not be accessed or disclosed directly or indirectly except with the written consent of the person, their heirs, legal representative, or authorized agent, or upon request from the competent judicial authorities to the extent necessary for investigations and cases before them.

Article (9)
The Credit Information Company

1. The Company shall be established to practice activities related to credit information and shall have the legal personality and legal capacity necessary to carry out its activities, in particular the following:
 - a. Regulating the request, collection, retention, analysis, classification, use, and circulation of credit information.
 - b. Preparing and processing the credit record in a timely, accurate, and secure manner in accordance with the provisions of this Law, its Executive Regulations, and the controls issued by the Central Bank.
 - c. Issuing the credit information report and any other reports and products related to credit information.
 - d. Preparing and developing risk tools and standards and related matters.
 - e. Engaging in any activity related to a person's credit status according to the information available to the Company in the credit record.
2. The Cabinet shall issue a decision determining the Company's system and its working mechanism.

Article (10)

It is prohibited for any natural or legal person other than the Company to engage in the activity of requesting, collecting, retaining, analyzing, classifying, using, and circulating credit information and related matters.

Article (11)

Subject to the controls issued by the Central Bank, the Company shall be committed to the following:

1. Not to disclose or reveal the credit information in its possession to third parties except in accordance with the provisions of this Law and its Executive Regulations.

2. To establish modern systems and a database in which all matters related to credit information, the credit record, and credit information reports are recorded and kept, and to update them periodically.
3. To protect the security of the Company and the security of credit information from loss, damage, or unauthorized or insecure access, use, or modification, including maintaining means for data backup and recovery in emergencies.
4. To commit to using credit information in accordance with the provisions of this Law and its Executive Regulations.

Article (12)

The Information Provider shall send the credit information to the Company in accordance with the electronic system applied by the Company and the controls issued by the Central Bank in this regard.

Article (13)

The Central Bank shall be linked to the Company's credit information database according to the mechanism determined by the Central Bank.

Article (14)

The Information Provider is obligated to provide the Company with the requested credit information, without imposing any financial burden on the Company.

Article (15)

1. The Company shall conclude an agreement with the Information Report Recipient that regulates the mechanism for using the credit information report, and the terms, conditions, and special forms related to the protection and confidentiality of credit information.
2. The Company may exchange credit reports and information for non-citizens with credit information companies and centers outside the State on a reciprocal basis, in accordance with the provisions of this Law, its Executive Regulations, the controls issued by the Central Bank, and information exchange agreements approved by the competent authorities in the State.

Article (16)

Powers of the Central Bank

The Central Bank, as the competent regulatory authority over the Company's activities under the provisions of this Law, shall have the following powers:

1. To supervise and monitor the proper performance of the Company's assigned tasks.
2. To set the controls under which the Company shall conduct its activities, the Code of Conduct, and related matters.
3. To issue any instructions or directives to the Company.

Article (17)

Penalties

Whoever commits any of the following acts shall be punished by imprisonment for a period of not less than two years and a fine of not less than (50,000) fifty thousand Dirhams, or one of these two penalties:

1. Discloses credit information, the credit information report, or the credit record in cases other than those authorized in accordance with the provisions of this Law and its Executive Regulations.
2. Obtains credit information or the credit information report, or gains access to the credit record without obtaining the required approvals in accordance with the provisions of this Law and its Executive Regulations, or by using fraudulent methods or incorrect information.
3. Violates the confidentiality established for credit information, the credit record, and the credit information report, or in bad faith misrepresents data or provides incorrect credit information to the Company.

Article (18)

Without prejudice to the penalties provided in the preceding Article, anyone who violates any provision of this Law and the decisions issued in its implementation shall be punished by imprisonment and a fine of not less than (10,000) ten thousand Dirhams, or one of these two penalties.

Article (19)

The commission of any of the crimes stipulated in this Law by a public official or any of the Company's employees shall be considered an aggravating circumstance.

Article (20)

The imposition of the penalties stipulated in this Law shall not prejudice any more severe penalty provided for in any other law, nor the civil liability of the violator.

Article (21)

General Provisions

Employees designated by a decision of the Minister of Justice, in agreement with the Minister of Finance, shall have the capacity of judicial officers in proving violations of the provisions of this Law and the decisions issued in its implementation, each within their scope of competence.

Article (22)

The Executive Regulations of this Law shall specify the following:

1. The mechanism for submitting a request for credit information and its data.
2. The rights and obligations of all related parties.
3. The retention period for credit information and the period covered by the credit information report.
4. The beneficiaries of credit information and the fee that may be required to obtain it, in light of the controls set by the Central Bank in this regard.
5. The persons entitled to obtain the credit information report.
6. The mechanism for submitting and examining complaints related to credit information.

Article (23)

The Ministry of Finance, in coordination with the Central Bank, shall prepare the Executive Regulations of this Law, which shall be issued by a decision of the Cabinet.

Article (24)

The controls that the Central Bank is competent to set pursuant to Articles 4, 11, 16, 23, and 24 of this Law shall be issued and published in the Official Gazette.

Article (25)

Any provision that violates or contradicts the provisions of this Law is hereby repealed.

Article (26)

This Law shall be published in the Official Gazette and shall come into force from the day following the date of its publication.

Khalifa bin Zayed Al Nahyan
President of the United Arab Emirates

Issued by us at the Presidential Palace in Abu Dhabi:

Date: 28 / Shawwal / 1431 H

Corresponding to: 7 / October / 2010 AD