

VARA Notice of Fines – OPNX Exchange

Further to Virtual Assets Regulatory Authority's (VARA) previous notices dated 12 April 2023 and 27 April 2023 regarding the **conduct of Open Technology Markets Ltd.** [trading as OPNX and opnx.com], VARA has **issued the following fines:**

1. **AED 10,000,000** against OPNX for a **Market Offence under Regulation VIII.A.3** of the Virtual Assets and Related Activities Regulations 2023 (Regulations)

This fine was **issued on 2 May 2023 and remains unpaid** at the time of publication of this notice.

2. **AED 200,000** against each of the following **4 persons:** OPNX founders Kyle Davies, Su Zhu and Mark Lamb and OPNX CEO Leslie Lamb.

The fines are for violations of **Administrative Order No. 01/22 Relating to Regulation of Marketing, Advertising and Promotions** Related to Virtual Assets [failure to ensure marketing meets the requirements of paragraph II.1 and/or II.5 of the Marketing Regulation].

The fines were **issued on 2 May 2023 and have been fully paid** by the individuals in question.

Key Process Highlights: All fines noted above were referred to VARA's Grievance Committee [the Committee formed in accordance with **Article 22 of Law No. (4) of 2022** Regulating Virtual Assets in the Emirate of Dubai] in accordance with due governance requirements. The Committee reviewed the referral of the grievance and determined that the enforcement **actions taken be upheld in their entirety.**

Status: As the AED 10MM fine issued against Open Technology Markets Ltd [#1 above] remains unpaid, VARA shall determine **consequential actions warranted** against OPNX, which may include further fines, penalties, and/or taking any actions necessary to recover payment and definitively

remedy the behaviour including, but not limited to, referring the matter to any law enforcement agency(ies) or competent courts.

The above has been published on a non-reliance basis for market awareness and consumer information purposes only, in accordance with VARA's function as the competent authority to regulate, license, supervise, and oversee Virtual Asset services in the Emirate of Dubai, including, but not limited to, exercising powers to monitor and enforce against any breaches of VARA's regulations and/or wrongdoing. This notification is not a substitute for investors' own due diligence and does not constitute any form of professional or legal advice.

VARA is the competent entity in charge of regulating, supervising, and overseeing Virtual Asset services in the Emirate of Dubai (excluding the Dubai International Financial Centre).

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