

## VARA Continues to Strengthen Enforcement Programme,

### Issues Fines and Public Warnings Against Engaging with Unlicensed Virtual Asset Firms

The Virtual Assets Regulatory Authority (VARA) is continuing its enforcement efforts to safeguard Dubai's virtual asset ecosystem, targeting unlicensed firms operating within its jurisdiction. As part of a wider enforcement programme, **VARA has issued cease-and-desist orders, along with accompanying fines, to 7 entities** for operating without the required licenses and for breaching marketing regulations. Further investigations are underway in collaboration with local authorities.

Furthermore, **this public warning is VARA's market notice to all to avoid engaging with any unlicensed firms.**

Interacting with such entities exposes individuals and institutions to significant financial and reputational risk, with potential legal consequences for regulatory breach. Only firms licensed by VARA are authorised to provide virtual asset services in/from Dubai, and the Authority remains steadfast in its commitment to protect consumers and investors, and to preserve market integrity.

Statement from **Regulatory Affairs and Enforcement at VARA**: "Our priority is to ensure that Dubai's virtual assets ecosystem remains secure for consumers and investors while being a progressive environment for compliant entities. Market enforcement actions send a reinforcing message: VARA will not tolerate any attempts to operate without appropriate licences, nor will we allow unauthorised marketing of virtual asset activities. Our marketing regulations further emphasise Dubai's commitment to ensuring transparency and always protecting stakeholder interests."

All entities in question have been instructed to immediately cease all activities and desist from undertaking any marketing or advertising of virtual asset services. **Fines issued in this round range from AED 50,000 to AED 100,000** per entity, depending on the nature and severity of the specific instance of such violation. The Authority reminds the market that the virtual asset industry is strictly regulated, and licensed entities are obligated to comply with all requirements set out in VARA's published rules and framework.

For any queries regarding VARA's regulations or compliance-related matters, please contact VARA Connect.