VARA Notice of Fines – Shelbit General Trading L.L.C

The Virtual Assets Regulatory Authority ("**VARA**") is issuing this Notice of Fines in respect of enforcement action taken against **Shelbit General Trading L.L.C**, commercially operating as Shelbit or Shelbit Exchange (the "Entity"). This follows the 02 January 2025 cease-and-desist notice and enforcement action taken on the Entity (**the "2025 Enforcement Action**").

During VARA's routine market-wide monitoring and horizon scanning, the Entity has been identified as continuing to: (a) provide Virtual Asset ("**VA**") services to customers in and from Dubai without holding a valid regulatory licence; (b) onboard users without mandatory Know-Your-Customer ("**KYC**") checks as per UAE law; and (c) market its services in Dubai without authorisation. The exposure identified by VARA extends beyond consumer protection to more egregious cross-border transactions with the propension to impact the integrity of the UAE financial system.

VARA considers these activities to be in breach of Federal Decree-Law No. (10) of 2025 Regarding Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation Financing, Cabinet Resolution No. (111) of 2022 Regulating Virtual Assets and the Related Service Providers, Dubai Law No. (4) of 2022 Regulating Virtual Assets in the Emirate of Dubai, and the VARA Regulations and Rulebooks.

In consequence of these breaches, VARA has: 1) exercised necessary enforcement measures; 2) imposed financial penalties on the Entity; and 3) directed it to cease and desist immediately from all unlicensed Virtual Asset activities in or from Dubai.

This Notice of Fine is 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. This includes, but is not limited to, exercising its powers to monitor and enforce against any breach of VARA's regulations or other 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 authority for regulating, supervising, and overseeing Virtual Asset services in the Emirate of Dubai, excluding the Dubai International Financial Centre (DIFC).

varaconnect@vara.ae - صندوق بريد: 9292 دبي، الإمارات العربية المتحدة - سُلطة تنظيم الأصول الافتراضية
varaconnect@vara.ae - PO Box 9292, Dubai, UAE - Virtual Assets Regulatory Authority