



**FINANCIAL SERVICES AND MARKETS (AMENDMENT No X)
REGULATIONS 2022**



FINANCIAL SERVICES AND MARKETS (AMENDMENT NO X) REGULATIONS 2022

Regulations to amend the Financial Services and Markets Regulations 2015.

Date of Enactment: [●] 2022

The Board of Directors of the Abu Dhabi Global Market, in exercise of its powers under Article 6(1) of Law No. 4 of 2013 concerning the Abu Dhabi Global Market issued by His Highness the Ruler of the Emirate of Abu Dhabi, hereby enacts the following Regulations—

1. Amendments to the Financial Services and Markets Regulations 2015

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5A. Authorised Persons conducting a Regulated Activity in relation to Virtual Assets or Spot Commodities

- (1) The Regulator may by Rules prescribe –
- (a) the requirements applicable to an Authorised Person conducting a Regulated Activity in relation to Virtual Assets or Spot Commodities;
 - (b) the requirements and factors that, in the opinion of the Regulator, are to be taken into account in determining whether or not:
 - (i) a Virtual Asset meets the requirements to be considered an Accepted Virtual Asset; ~~and or~~
 - (ii) a Spot Commodity meets the requirements to be considered an Accepted Spot Commodity; and
 - (c) such additional requirements as the Regulator considers appropriate that an Authorised Person conducting a Regulated Activity in relation to Virtual Assets or Spot Commodities must comply with, including any requirements imposed under the Rules made under these Regulations.
- (2) Without limiting the generality of its powers to issue Directions, the Regulator may, by written notice—
- (a) exclude the application of any requirement imposed by the Rules upon an Authorised Person conducting a Regulated Activity in relation to Virtual Assets or Spot Commodities; ~~or~~
 - (b) impose on an Authorised Person conducting a Regulated Activity in relation to Virtual Assets or Spot Commodities any additional obligations that the Regulator considers appropriate; ~~or~~
 - (c) require an Authorised Person conducting a Regulated Activity in relation to Virtual Assets or Spot Commodities to take such action as is specified by the Regulator; or
 - (d) require an Authorised Person Operating a Multilateral Trading Facility that admits Accepted Virtual Assets or Accepted Spot Commodities to trading to obtain a Recognition Order to become a Recognised Investment Exchange under section 121 of these Regulations; ~~and the Rules made under these Regulations;~~

where the Regulator is satisfied that it is in the interests of the Abu Dhabi Global Market to do so and on such terms and conditions as the Regulator considers appropriate.

...

7. Other specific rule-making powers

(1) ...

(5) The Regulator may make Rules which treat a person who acts or engages in conduct—

- (a) for the purpose of stabilising the price of Specified Investments; and
- (b) in conformity with such provisions corresponding to Price stabilising Stabilisation Rules and made by a body or authority outside the Abu Dhabi Global Market as may be Specified;

as acting, or engaging in that conduct, for that purpose and in conformity with the Price Stabilising Stabilisation Rules.

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General prohibitions and definitions

58. General prohibition

(1) A person shall not—

- (a) make an Offer of Securities ~~to the Public in or from~~ the Abu Dhabi Global Market; or
- (b) have Securities admitted to trading on a Recognised Investment Exchange;

except as provided by or under these Regulations.

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59. Definition of an Offer of Securities ~~to the Public~~

An Offer of Securities ~~to the Public~~ means a communication to any person in any form or by any means, presenting information on the terms of the Offer and the Securities offered, so as to enable an investor to decide to buy or subscribe to those Securities but excluding—

- (a) any communication in connection with the trading of Securities admitted to trading on a Recognised Investment Exchange;
- (b) any communication made for the purposes of complying with the on-going reporting requirements of the Regulator or a Recognised Investment Exchange; or
- (c) any other communication prescribed in Rules as an exempt communication.

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Prospectus requirement**61. Obligation to issue a Prospectus**

- (1) A person shall not, subject to subsection (3)—
- (a) make an Offer of Securities ~~to the Public in or from~~ the Abu Dhabi Global Market; or
 - (b) have Securities admitted to trading on a Recognised Investment Exchange;
- unless there is an Approved Prospectus in relation to the relevant Securities.
- (2) For the purposes of subsection (1)—
- (a) a Prospectus is an Approved Prospectus if it is approved by the Regulator in accordance with the requirements prescribed in the Rules; and
 - (b) a reference to a Prospectus made by or under these Regulations is a reference to an Approved Prospectus, unless the context requires otherwise.
- (3) The requirement in subsection (1) does not apply—
- (a) to an Offer of Securities ~~to the Public~~ where that Offer is an exempt offer as prescribed in the Rules; or
 - (b) to any Securities to be admitted to trading on a Recognised Investment Exchange if those Securities are exempt Securities as prescribed in the Rules.
- (4) For the purposes of this Chapter and the Rules made under this Chapter, unless the context requires otherwise—
- (a) a reference to a Prospectus Offer is a reference to both the making of an Offer of Securities ~~to the Public~~ and to having Securities admitted to trading on a Recognised Investment Exchange;
 - (b) a reference to an Offeror is a reference to the person making a Prospectus Offer; and
 - (c) a reference to a Prospectus in respect of a person who has or seeks to have Units of a Fund admitted to trading on a Recognised Investment Exchange is a reference to a Prospectus prepared in accordance with the requirements prescribed by the Regulator in the Rules.
- (5) A Prospectus includes a supplementary prospectus, except where otherwise provided by or under these Regulations.

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Chapter 2 Obligations of Reporting Entities**72. Definition of a Reporting Entity**

- (1) A person is, subject to subsection (3), a Reporting Entity if the person—
- (a) has or had Securities admitted to the Official List at any time;
 - (b) has made an Offer of Securities ~~to the Public~~ other than in relation to Units of a Fund;

- (c) merges with or acquires a Reporting Entity referred to in paragraphs (a) or (b); or
 - (d) is declared by the Regulator pursuant to subsection (4) to be a Reporting Entity.
- (2) For the purposes of subsection (1)(a)—
- (a) in the case of a Listed Fund—
 - (i) a reference to a Reporting Entity is a reference to the Fund Manager of that Fund or such other person as the Regulator may declare (who may also be called a "Reporting Entity of the Listed Fund"); and
 - (ii) any obligations of a Reporting Entity are, unless the context requires otherwise, obligations in respect of the Listed Fund; and
 - (b) for avoidance of doubt, a person does not become a Reporting Entity of a Listed Fund by merely offering the Units of the Fund to the public, unless the Units are also admitted to trading on a Recognised Investment Exchange.
- (3) A person is not a Reporting Entity—
- (a) if the person—
 - (i) is an Exempt Offeror; or
 - (ii) has made an Offer of Securities ~~to the Public~~ where that Offer is an exempt offer;
 - (b) if—
 - (i) the person previously had Securities admitted to the Official List but currently has no Securities admitted to the Official List;
 - (ii) the current holders of at least 75 per cent. of the Securities of the Reporting Entity or the Listed Fund, as is relevant, have agreed in writing that the person is no longer needed to be a Reporting Entity; and
 - (iii) the Regulator has confirmed in writing upon being notified of the grounds referred to in sub-paragraphs (i) and (ii) that the person need no longer be a Reporting Entity; or
 - (c) in the case of a person referred to in subsections (1)(a), (b) or (c), if that person is declared by the Regulator pursuant to subsection (4)(a)(ii) not to be a Reporting Entity.

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75. Continuous disclosures

- (1) A Reporting Entity shall, subject to subsections (4) and (5), make disclosures to the market of information specified by the Regulator in the circumstances prescribed by the Rules.
- (2) Without limiting the generality of subsection (1), the Regulator may, by Rules, prescribe the type of information and the circumstances in which such information shall be disclosed including—
 - (a) financial information;

- (b) the financial reports required by sections 78 and 79;
- (bc) Inside Information as defined in section 95; and
- (ed) any other information or material change which occurs in relation to a Reporting Entity.

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Sponsors and compliance advisers

83. Appointment of sponsors or compliance advisers

- (1) The Regulator may make Rules requiring a Reporting Entity or an Issuer to appoint a sponsor, compliance adviser or other expert adviser on such terms and conditions as it considers appropriate.
- (2) Such Rules may prescribe—
 - (a) the circumstances in which ~~a Reporting Entity~~ an Issuer is required to appoint a sponsor, and a Reporting Entity is required to appoint a compliance adviser or other expert adviser;
 - (b) the requirements applicable to the Issuer or Reporting Entity,² and a person Appointed as a sponsor, compliance adviser or other expert adviser; and
 - (c) any other matter necessary to give effect to such appointments.

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Part 8 Market Abuse

Market abuse

92. Market abuse

- (1) For the purposes of these Regulations, Market Abuse is Behaviour (whether by one person alone or by two or more persons jointly or in concert) which—
 - (a) occurs in relation to—
 - (i) Financial Instruments admitted to trading on a—
 - (A) Prescribed Market; or
 - (B) a similar market or trading venue situated inside or outside the Abu Dhabi Global Market and accessible electronically, or otherwise, from within the Abu Dhabi Global Market;
 - (ii) Financial Instruments in respect of which a request for admission to trading on such a market has been made;
 - (iii) in the case of subsection (2) or (3) Behaviour, instruments which are Related Instruments in relation to such Financial Instruments; or
 - (iv) an Accepted Virtual Asset admitted to trading on a Multilateral Trading Facility, an Accepted Spot Commodity admitted to trading on a Prescribed Market or any other investments as specified by the Regulator admitted to trading on an Organised Trading Facility; and

- (b) falls within any one or more of the types of Behaviour set out in subsections (2) to (6).
- (2) The first type of Behaviour is where an Insider deals, or attempts to deal, in a Financial Instrument, Related Instrument, ~~or an Accepted Virtual Asset~~ or an Accepted Spot Commodity on the basis of Inside Information relating to the Financial Instruments, Related Instruments, ~~or Accepted Virtual Assets~~ or Accepted Spot Commodities in question.
- (3) The second is where an Insider discloses Inside Information to another person otherwise than in the proper course of the exercise of his employment, profession or duties.
- (4) The third is where the Behaviour consists of effecting transactions or orders to trade (otherwise than for legitimate reasons and in conformity with Accepted Market Practices on the relevant market) which—
- (a) give, or are likely to give, a false or misleading impression as to the supply of, or demand for, or as to the price of, one or more Financial Instruments, ~~or Accepted Virtual Assets~~ or Accepted Spot Commodities; or
- (b) secure the price of one or more such instruments at an abnormal or artificial level.
- (5) The fourth is where the Behaviour consists of effecting transactions or orders to trade which employ fictitious devices or any other form of deception or contrivance.
- (6) The fifth is where the Behaviour consists of the dissemination of information by any means which gives, or is likely to give, a false or misleading impression as to a Financial Instrument, ~~or an Accepted Virtual Asset~~ or an Accepted Spot Commodity by a person who knew or could reasonably be expected to have known that the information was false or misleading.

93. Supplementary provision about certain Behaviour

- (1) Behaviour is to be taken into account for the purposes of this Part only if it occurs—
- (a) in the Abu Dhabi Global Market; or
- (b) in relation to—
- (i) Financial Instruments which are admitted to trading on a Prescribed Market situated in, or operating in, the Abu Dhabi Global Market;
- (ii) Financial Instruments for which a request for admission to trading on such a Prescribed Market has been made; or
- (iii) Accepted Virtual Assets admitted to trading on a Multilateral Trading Facility, or Accepted Spot Commodities admitted to trading on a Prescribed Market.
- (2) For the purposes of section 92(6), the dissemination of information by a person acting in the capacity of a journalist is to be assessed taking into account the codes governing his profession unless he derives, directly or indirectly, any advantage or profits from the dissemination of the information.
- (3) Behaviour does not amount to Market Abuse for the purposes of these Regulations if—

- (a) it conforms with a Rule which includes a provision to the effect that Behaviour conforming with the Rule does not amount to Market Abuse;
- (b) it conforms with the Price ~~Stabilising~~Stabilisation Rules; or
- (c) it is done by a person acting on behalf of a public authority in the legitimate exercise of its public functions.

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95. Inside Information

- (1) This section defines "Inside Information" for the purposes of these Regulations.
- (2) In relation to Financial Instruments, Accepted Virtual Assets, Accepted Spot Commodities or Related Instruments which are not Commodity Derivatives, Inside Information is information of a Precise nature which—
 - (a) is not generally available;
 - (b) relates, directly or indirectly, to one or more Reporting Entities or Issuers of the Financial Instruments or to one or more of the Financial Instruments, or Accepted Virtual Assets or Accepted Spot Commodities; and
 - (c) would, if generally available, be likely to have a significant effect on the price of the Financial Instruments, Accepted Virtual Assets, Accepted Spot Commodities or Related Instruments.
- (3) In relation to Financial Instruments or Related Instruments which are Commodity Derivatives, Inside Information is information of a Precise nature which—
 - (a) is not generally available;
 - (b) relates, directly or indirectly, to one or more such derivatives; and
 - (c) users of markets on which the derivatives are traded would expect to receive in accordance with any Accepted Market Practices on those markets.
- (4) In relation to a person charged with the execution of orders concerning any Financial Instruments, Accepted Virtual Assets, Accepted Spot Commodities or Related Instruments, Inside Information includes information conveyed by a client and related to the client's pending orders which—
 - (a) is of a Precise nature;
 - (b) is not generally available;
 - (c) relates, directly or indirectly, to one or more Issuers of Financial Instruments or Accepted Virtual Assets or to one or more Financial Instruments, Accepted Virtual Assets or Accepted Spot Commodities; and
 - (d) would, if generally available, be likely to have a significant effect on the price of those Financial Instruments, Accepted Virtual Assets, Accepted Spot Commodities or Related Instruments.
- (5) Information is Precise if it—

- (a) indicates circumstances that exist or may reasonably be expected to come into existence or an event that has occurred or may reasonably be expected to occur; and
 - (b) is specific enough to enable a conclusion to be drawn as to the possible effect of those circumstances or that event on the price of Financial Instruments, Accepted Virtual Assets or Related Instruments.
- (6) Information would be likely to have a significant effect on price if and only if it is information of a kind which a reasonable investor would be likely to use as part of the basis of his investment decisions.
- (7) For the purposes of subsection (3)(c), users of markets on which investments in Commodity Derivatives are traded are to be treated as expecting to receive information relating directly or indirectly to one or more such derivatives in accordance with any Accepted Market Practices, which is—
- (a) routinely made available to the users of those markets; or
 - (b) required to be disclosed in accordance with any statutory provision, market rules, or contracts or customs on the relevant underlying commodity market or Commodity Derivatives market.
- (8) Information which can be obtained by research or analysis conducted by, or on behalf of, users of a market is to be regarded, for the purposes of this Part, as being generally available to them.

The Rules Code of Market Conduct

96. The Rules Code of Market Conduct

- (1) The Regulator may set out a code ~~make Rules~~ ("Code Rules of Market Conduct") specifying—
- (a) descriptions of Behaviour that, in the opinion of the Regulator, amount to Market Abuse;
 - (b) descriptions of Behaviour that, in the opinion of the Regulator, do not amount to Market Abuse;
 - (c) factors that, in the opinion of the Regulator, are to be taken into account in determining whether or not Behaviour amounts to Market Abuse;
 - (d) descriptions of Behaviour that are Accepted Market Practices in relation to one or more Prescribed Markets;
 - (e) descriptions of Behaviour that are not Accepted Market Practices in relation to one or more Prescribed Markets.
- (2) The Code Rules of Market Conduct may make different provisions in relation to persons, cases or circumstances of different descriptions.

97. Effect of the Code Rules of Market Conduct

- (1) If a person behaves in a way which is described (in the Code Rules of Market Conduct in force under section 96 at the time of the Behaviour) as Behaviour that, in the Regulator's opinion, does not amount to Market Abuse, that Behaviour of his is to be taken, for the purposes of these Regulations, as not amounting to Market Abuse.

- (2) Otherwise, the ~~Code Rules~~ of Market Conduct in force under section 96 at the time when particular Behaviour occurs may be relied on so far as it indicates whether or not that Behaviour should be taken to amount to Market Abuse.

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Part 9 Misleading Statements and Impressions

102. Misleading Statements

- (1) Subsection (2) applies to a person ("P") who—
- (a) makes a statement which P knows to be false or misleading in a material respect;
 - (b) makes a statement which is false or misleading in a material respect, being reckless as to whether it is; or
 - (c) dishonestly conceals any material facts whether in connection with a statement made by P or otherwise.
- (2) P commits a contravention of these Regulations if P makes the statement or conceals the facts with the intention of inducing, or is reckless as to whether making it or concealing them may induce, another person (whether or not the person to whom the statement is made)—
- (a) to enter into or offer to enter into, or to refrain from entering or offering to enter into; or
 - (b) to acquire, dispose of, subscribe for or underwrite, or refrain from acquiring, disposing of, subscribing for or underwriting; or
 - (c) to exercise, or refrain from exercising, any rights conferred by –
a Financial Instrument, a Specified Investment, or an Accepted Virtual Asset or an Accepted Spot Commodity, as applicable.
- (3) In proceedings for a contravention under subsection (2) brought against a person to whom that subsection applies as a result of paragraph (a) of subsection (1), it is a defence for the person charged ("D") to show that the statement was made in conformity with—
- (a) Price ~~Stabilisation~~ Stabilising Rules (section 7(4)); or
 - (b) Control of Information Rules (section 7(3)).
- (4) Subsections (1) and (2) do not apply unless—
- (a) the statement is made in or from, or the facts are concealed in or from, the Abu Dhabi Global Market or arrangements are made in or from the Abu Dhabi Global Market for the statement to be made or the facts to be concealed;
 - (b) the person on whom the inducement is intended to or may have effect is in the Abu Dhabi Global Market; or
 - (c) the agreement is or would be entered into or the rights are or would be exercised in the Abu Dhabi Global Market.

103. Misleading Impressions

- (1) A person ("P") who does any act or engages in any course of conduct which creates a false or misleading impression as to the market in or the price or value of any Financial Instruments, ~~or Accepted Virtual Assets~~ or Accepted Spot Commodities commits a contravention of these Regulations if—
 - (a) P intends to create the impression; and
 - (b) the case falls within either subsection (2) or (3) or both.
- (2) The case falls within this subsection if P intends, by creating the impression, to induce another person to acquire, dispose of, subscribe for or underwrite the investments or to refrain from doing so or to exercise or refrain from exercising any rights conferred by the investments.
- (3) The case falls within this subsection if—
 - (a) P knows that the impression is false or misleading or is reckless as to whether it is; and
 - (b) P intends by creating the impression to produce any of the results in subsection (4) or is aware that creating the impression is likely to produce any of the results in that subsection.
- (4) Those results are—
 - (a) the making of a gain for P or another; or
 - (b) the causing of loss to another person or the exposing of another person to the risk of loss.
- (5) References in subsection (4) to gain or loss are to be read in accordance with subsections (6) and (7).
- (6) In proceedings brought against any person ("D") for a contravention under subsection (1) it is a defence for D to show—
 - (a) to the extent that the contravention results from subsection (2), that D reasonably believed that D's conduct would not create an impression that was false or misleading as to the matters mentioned in subsection (1);
 - (b) that D acted or engaged in the conduct—
 - (i) for the purpose of stabilising the price of investments; and
 - (ii) in conformity with Price Stabilisation ~~Stabilising~~ Rules; or
 - (c) that D acted or engaged in the conduct in conformity with Control of Information Rules.
- (7) This section does not apply unless—
 - (a) the act is done, or the course of conduct is engaged in, in the Abu Dhabi Global Market; or
 - (b) the false or misleading impression is created there.

104. Misleading statements etc. in relation to Benchmarks

- (1) A person ("A") who makes to another person ("B") a false or misleading statement commits a contravention of these Regulations if—
 - (a) A makes the statement in the course of arrangements for the setting of a Relevant Benchmark;
 - (b) A intends that the statement should be used by B for the purpose of the setting of a Relevant Benchmark; and
 - (c) A knows that the statement is false or misleading or is reckless as to whether it is.
- (2) A person ("C") who does any act or engages in any course of conduct which creates a false or misleading impression as to the price or value of any investment or as to the interest rate appropriate to any transaction commits a contravention of these Regulations if—
 - (a) C intends to create the impression;
 - (b) the impression may affect the setting of a Relevant Benchmark;
 - (c) C knows that the impression is false or misleading or is reckless as to whether it is; and
 - (d) C knows that the impression may affect the setting of a Relevant Benchmark.
- (3) In proceedings for a contravention under subsection (1), it is a defence for the person charged ("D") to show that the statement was made in conformity with—
 - (a) Price ~~Stabilisation~~ ~~Stabilising~~ Rules (section 7(4)); or
 - (b) Control of Information Rules (section 7(3)).
- (4) In proceedings brought against any person ("D") for a contravention under subsection (2) it is a defence for D to show—
 - (a) that D acted or engaged in the conduct—
 - (i) for the purpose of stabilising the price of investments; and
 - (ii) in conformity with Price ~~Stabilisation~~ ~~Stabilising~~ Rules (section 7(4)); or
 - (b) that D acted or engaged in the conduct in conformity with Control of Information Rules (section 7(3)).
- (5) Subsection (1) does not apply unless the statement is made in or from the Abu Dhabi Global Market or to a person in the Abu Dhabi Global Market.
- (6) Subsection (2) does not apply unless—
 - (a) the act is done, or the course of conduct is engaged in, in the Abu Dhabi Global Market; or
 - (b) the false or misleading impression is created in the Abu Dhabi Global Market.

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124. Recognition orders

- (1) If it appears to the Regulator that the Applicant satisfies the Recognition Requirements applicable in its case, the Regulator may—
 - (a) where the Application is made under section 121, make a Recognition Order declaring the Applicant to be a Recognised Investment Exchange;
 - (b) where the Application is made under section 122, make a Recognition Order declaring the Applicant to be a Recognised Clearing House.
- (2) In considering an Application made under section 121 or 122, the Regulator may have regard to any information which it considers is relevant to the Application.
- (3) A Recognition Order must specify a date on which it is to take effect.
- (4) Section 135 has effect in relation to a decision to refuse to make a Recognition Order—
 - (a) as it has effect in relation to a decision to revoke such an order; and
 - (b) as if references to a Recognised Body were references to the Applicant.

124A. Imposition of Requirements by the Regulator

- (1) Where a person has applied to the Regulator for a Recognition Order or the variation of a Recognition Order, the Regulator may impose on that person such Requirements, taking effect on or after the giving or variation of the Recognition Order, as the Regulator considers appropriate.
- (2) The Regulator's power under this subsection is a power to—
 - (a) impose a new Requirement;
 - (b) vary a Requirement imposed by the Regulator under this section; or
 - (c) cancel such a Requirement.
- (3) The Regulator's power under subsection (2) is referred to in these Regulations as its Own-Initiative Requirement Power.
- (4) The Regulator may, on the application of a Recognised Body, Remote Body or Remote Member with a Recognition Order —
 - (a) impose a new Requirement;
 - (b) vary a Requirement imposed by the Regulator under this section; or
 - (c) cancel such a Requirement.
- (5) The Regulator may refuse an application under subsection (4) if it appears to it that it is desirable to do so in order to further one or more of its objectives.

124B. Requirements under section 124A: further provisions

- (1) A Requirement may, in particular, be imposed so as to require the person concerned to —
 - (a) take action specified by the Regulator; or

- (b) refrain from taking action specified by the Regulator.
- (2) A Requirement may be imposed by reference to the person's relationship with—
 - (a) the person's Group; or
 - (b) other members of the person's Group.
- (3) A Requirement may be expressed to expire at the end of such period as the Regulator may specify, but the imposition of a Requirement that expires at the end of a specified period does not affect the Regulator's power to impose a new Requirement.
- (4) A Requirement may refer to the past conduct of the person concerned (for example, by requiring the person concerned to review or take remedial action in respect of past conduct).

124C. Exercise of Own Initiative Requirement Power: Procedure

- (1) This section applies to an exercise of Own-Initiative Requirement Power by the Regulator in relation to a Recognised Body ("A").
- (2) The imposition or variation of a Requirement takes effect—
 - (a) immediately, if the notice given states that that is the case;
 - (b) on such date as may be specified in the notice; or
 - (c) if no date is specified in the notice, when the matter to which the notice relates is no longer open to review.
- (3) The imposition or variation of a Requirement may be expressed to take effect immediately or on a specified date only if the Regulator, having regard to the grounds on which it is exercising its Own-Initiative Requirement Power, reasonably considers that it is necessary for the imposition or variation of the Requirement, to take effect immediately or on that date.
- (4) If the Regulator proposes to impose or vary a Requirement, or imposes or varies a Requirement with immediate effect, it must give A written notice.
- (5) The notice must—
 - (a) give details of the Requirement or its variation;
 - (b) state the Regulator's reasons for the imposition or variation of the Requirement;
 - (c) inform A that A may make representations to the Regulator within such period as may be specified in the notice (whether or not A has referred the matter to the Appeals Committee);
 - (d) inform A of when the imposition or variation of the Requirement takes effect; and
 - (e) inform A of A's right to refer the matter to the Appeals Panel.
- (6) The Regulator may extend the period allowed under the notice for making representations.
- (7) Where, having considered representations made by A, the Regulator decides—

- (a) to impose or vary the Requirement, in the way proposed; or
- (b) where the Requirement has been imposed or varied, not to rescind the imposition or variation of the Requirement;

it must give A written notice.

(8) Where, having considered representations made by A, the Regulator decides—

- (a) not to vary the Recognition Order, or impose or vary the Requirement, in the way proposed;
- (b) to vary the Recognition Order or requirement in a different way, or impose a different Requirement; or
- (c) to rescind a variation or Requirement which has effect;

it must give A written notice.

(9) A notice under subsection (7) must inform A of A's right to refer the matter to the Appeals Panel.

(10) A notice under subsection (8)(b) must comply with subsection (5).

(11) For the purposes of subsection (2)(c), whether a matter is open to review is to be determined in accordance with section 252(7).

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126. Liability in relation to ~~the Recognised Body's~~ Regulatory Functions of a Recognised Body

A Recognised Body, its Key Individuals and its officers and staff are not to be liable in damages for anything done or omitted in the discharge of the Recognised Body's Regulatory Functions unless it is shown that the act or omission was in bad faith.

126A. Key Individuals

A Recognised Body must ensure that no person acts as a Key Individual for the Recognised Body, unless that person has been approved by the Regulator as a Key Individual.

Applications for approval of Key Individuals

- (1) An application for approval to act as a Key Individual for a Recognised Body must be made by the Recognised Body.
- (2) An application may be also made by a person who has applied for a Recognition Order and will become Recognised Body if a Recognition Order is granted.
- (3) The Application must—
 - (a) comply with any applicable Rules made by the Regulator;
 - (b) contain, or be accompanied by, such other information as the Regulator may reasonably require; and
 - (c) be made in such manner as the Regulator may direct.

- (4) At any time after an application for approval to act as a Key Individual is received and before it is determined, the Regulator may require the Applicant to provide it with such further information as it reasonably considers necessary to enable it to determine the application.

127. Remote Investment Exchanges and Remote Clearing Houses

- (1) An Application by a Remote Body Applicant must comply with such requirements (the “Remote Recognition Requirements”) relating to Remote Bodies as the Regulator may specify by Rules.
- (2) If it appears to the Regulator that a Remote Body Applicant satisfies the requirements of subsection (3) it may make a Recognition Order declaring the Applicant to be—
- (a) a Remote Investment Exchange;
 - (b) a Remote Clearing House.
- (3) The requirements are that—
- (a) investors are afforded protection equivalent to that which they would be afforded if the body concerned were required to comply with Recognition Requirements, other than any such requirements which are expressed in Rules under section 120 not to apply for the purposes of this paragraph;
 - (b) there are adequate procedures for dealing with a person who is unable, or likely to become unable, to meet his obligations in respect of one or more Market Contracts connected with the investment exchange or clearing house;
 - (c) the Applicant is able and willing to co-operate with the Regulator by the sharing of information and in other ways;
 - (d) adequate arrangements exist for co-operation between the Regulator and those responsible for the supervision of the Applicant in the country or territory in which the Applicant's head office is situated.
- (4) In considering whether it is satisfied as to the requirements mentioned in subsections (3)(a) and (b), the Regulator is to have regard to—
- (a) the relevant law and practice of the country or territory in which the Applicant's head office is situated, including, with respect to a Remote Clearing House applicant, the equivalence of such laws to those set out in Chapter 3 and Chapter 4 of this Part, and Part 13 of these Regulations;
 - (b) the rules and practices of the Applicant.
- (5) In relation to a Remote Body Applicant and a body or association declared to be a Remote Investment Exchange or Remote Clearing House by a Recognition Order made by virtue of subsection (2)—
- (a) the reference in section 139(1) to Recognition Requirements is to be read as a reference to Remote Recognition Requirements;
 - (b) sections 132(1) and 134(2) have effect as if the requirements mentioned in section 132(1)(a) and section 134(2)(a) were those of subsections (3)(a), (b), and (c) of this section;

- (c) section 134(2) has effect as if the grounds on which a Recognition Order may be revoked under that provision included the ground that in the opinion of the Regulator arrangements of the kind mentioned in subsection (3)(d) of this section no longer exist.

...

Chapter 4 Transaction Reporting

149. Obligation to report orders and transactions

- (1) A Recognised Investment Exchange, ~~or~~ MTF or OTF shall report details of orders and transactions in Financial Instruments traded on its platform which are inputted, executed, or reported, through its systems.
- (2) An MTF shall report details of orders and transactions in Accepted Virtual Assets traded on its platform which are inputted, executed, or reported, through its systems.
- ~~(3) A Recognised Investment Exchange, MTF or OTF must report details of orders and transactions in Accepted Spot Commodities traded on its platform which are inputted, executed, or reported, through its systems.~~
- ~~(4) An OTF shall report details of orders and transactions in other investments as specified by the Regulator traded on its platform which are inputted, executed, or reported, through its systems.~~
- (35) The Regulator may make Rules specifying—
- (a) the information to be included in reports made under subsection (1) and (2); and
 - (b) the manner in which such reports are to be made.

...

Part 16 Public Record and Disclosure of Information

The public record

196. The record of Authorised Persons etc.

- (1) The Regulator must publish and maintain a record of every—
- (a) Security admitted to the Official List;
 - (b) Authorised Person;
 - (c) Public Fund;
 - (d) Approved Prospectus;
 - (e) Recognised Investment Exchange or Recognised Clearing House;
 - (f) Remote Investment Exchange or Remote Clearing House;
 - (g) individual to whom a Prohibition Order relates;
 - (h) Trade Repository;

- (i) Remote Member;
- (j) Approved Person;
- (k) Passported Fund;
- (l) Specified Information; ~~and~~
- (m) Specified Benchmark;
- (n) Key Individual; and
- ~~(m)~~ any person falling within such other class (if any) as the Regulator may determine.

- (2) The record must include such information as the Regulator considers appropriate.
- (3) The Regulator shall make a reasonably current version of the records available for viewing by the public during the normal business hours of the Regulator.

...

199. Exceptions from section 198

- (1) Subject to subsection (2), the Regulator may disclose Confidential Information for the purpose of facilitating the carrying out of a Public Function where such disclosure is—
 - (a) permitted or required under any enactment applicable to the Regulator, including, for the avoidance of doubt, any applicable international obligations;
 - (b) made to—
 - (i) the ADGM Registrar of Companies;
 -
 - (vi) a civil law enforcement agency or body, whether in the Abu Dhabi Global Market, U.A.E or otherwise;

for the purpose of assisting the performance by any such person of its functions and powers; or

....

Investigations

205. Commencement of Investigations

- (1) If it appears to the Regulator that there is good reason for doing so, the Regulator may commence an investigation into—
 - (a) the nature, conduct or state of the Business of an Authorised Person, Recognised Body or Remote Body;
 - (b) a particular aspect of that Business;
 - (c) the ownership or control of an Authorised Person, Recognised Body or Remote Body; or

- (d) a matter reasonably requested to be investigated pursuant to a request made under section 217.
- (2) If the Regulator reasonably suspects that a person may have committed a contravention of these Regulations or any Rules, the Regulator may commence an investigation into the matter.
- (3) The Regulator may appoint one or more competent persons as Investigators to conduct an investigation on its behalf.
- (4) The Regulator may but need not give written notice of the commencement of an investigation to the Person Under Investigation.
- (5) If an Investigator thinks it necessary for the purposes of his investigation under subsections (1) or (2), he may also investigate the Business of a person who is or has, at any relevant time, been—
- (a) a member of the Group of which the Person Under Investigation ("A") is part; or
- (b) a Partnership of which A is a member.
- (6) The power conferred by subsection (1)(a) to (c) may be exercised in relation to a former Authorised Person, former Recognised Body or former Remote Body but only in relation to—
- (a) Business carried on at any time when he was an Authorised Person, Recognised Body or Remote Body; or
- (b) the ownership or control of a former Authorised Person, Recognised Body or Remote Body at any time when he was an Authorised Person, Recognised Body or Remote Body.
- (7) Nothing prevents the Regulator from appointing a person who is a member of its staff as an Investigator under this section.
- ~~(8) References in subsection (1) to a Remote Body do not include references to a Remote Investment Exchange.~~

....

243. Power of the Regulator to intervene in proceedings

- (1) The Regulator may intervene as a party in any proceedings in the Court where it considers such intervention appropriate to further meet ~~meet~~ one or more of its objectives.
- (2) Where the Regulator so intervenes, it shall, subject to any other law, have all the rights, duties and liabilities of such a party.

...

258. Definitions

- (1) In these Regulations, unless the context otherwise requires—

<u>Accepted Spot Commodity</u>	<u>a Spot Commodity that, in the opinion of the Regulator, meets the requirements that permit a Regulated Activity to be conducted in relation to it.</u>
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Benchmark	<p>means an index, rate or price that—</p> <ul style="list-style-type: none"> (a) is determined from time to time by reference to the state of the market; (b) is made available to the public (whether free of charge or on payment); and (c) is used for reference for purposes that include one or more of the following— <ul style="list-style-type: none"> (i) determining the interest payable, or other sums due, under loan agreements or under other contracts relating to <u>any Specified Investments Accepted Virtual Asset or Accepted Spot Commodity</u>; (ii) determining the price at which <u>any Specified Investments Accepted Virtual Asset or Accepted Spot Commodity</u> may be bought or sold or their <u>value</u> of investments; and (iii) measuring the performance of <u>any Specified Investments or Virtual Asset</u>.
<u>Code of Market Conduct</u>	<p><u>means the code made by the Regulator in accordance with section 96.</u></p>
Designated Non-Financial Business or Profession (DNFBP)	<p>means the following class of persons whose business is carried out in the ADGM:</p> <ul style="list-style-type: none"> (a) <u>A</u> real estate agency, which carries out transactions with other <u>P</u>persons that involve the acquiring or disposing of Real Property; (b) <u>A</u> dealer in precious metals or precious stones; (c) <u>A</u> dealer in any saleable item of a price equal to or greater than USD15,000; (d) <u>A</u>an accounting firm, audit firm, insolvency firm or taxation consulting firm; (e) <u>A</u>a law firm, notary firm or other independent legal business; or (f) <u>A</u>a company service provider that carries out any of the following services to a customer: <ul style="list-style-type: none"> (i) acting as a formation agent of a Legal Person; (ii) acting as (or arranging for another person to act as) a director or secretary of a company, a partner of a partnership or a similar position in

	<p>relation to other Legal Persons or any other legal arrangement;</p> <p>(iii) providing a registered office, business address or accommodation, correspondence or administrative address for a Legal Person or any other legal arrangement;</p> <p>(iv) acting as (or arranging for another person to act as) a trustee of an express trust or performing the equivalent function for another form of legal arrangement; or</p> <p>(v) acting as (or arranging for another Person to act as) a nominee shareholder for another person.</p>
<u>Emissions Instrument</u>	means the Financial Instrument described within <u>paragraph 99B of Schedule 1.</u>
Financial Instrument	means the instruments listed in paragraphs 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, and 99A and 99B of Schedule 1 and, so far as relevant to any such instruments, those listed in paragraphs 98 and 99 of that Schedule.
Issuer	<p>(a) for the purposes of Part 6—</p> <p>(i) in relation to an Offer of Securities to the Public or admission of Securities to the Official List, means a legal person who issues or proposes to issue the Securities in question; and</p> <p>(ii) in relation to anything else which is or may be admitted to the Official List, has such meaning as may be prescribed in the Rules made by the Regulator;</p> <p>(b) for the purposes of Part 14, and in relation to a Financial Instrument, means the person who issued such Financial Instrument; and</p> <p>(c) in any other case, means a person issuing a Financial Instrument.</p>
<u>Key Individual</u>	means an individual assigned to oversee a <u>Regulatory Function of a Recognised Body who is employed or appointed by that Recognised Body in connection with that Recognised Body's business, whether under a contract of service or otherwise.</u>
<u>Non-Abu Dhabi Global Market Recognised Clearing House</u>	means, for the purposes of Part 13, a clearing house operating outside the Abu Dhabi Global Market

	which has been recognised by the Regulator in accordance with section 127.
Non-Abu Dhabi Global Market Recognised Investment Exchange	means, for the purposes of Part 13, an investment exchange operating outside the Abu Dhabi Global Market which has been recognised by the Regulator in accordance with section 127.
Non-Profit Organisation	means a <u>L</u> egal <u>P</u> erson or arrangement or organization that primarily engages in raising or disbursing funds for purposes such as charitable, religious, cultural, educational, social or fraternal purposes or for other charitable purpose.
Offer of Securities to the Public	has the meaning given to that term in section 59.
Own-Initiative Requirement Power	means the Regulator's power specified in sections <u>35(3) and 124C</u> .
Price StabilisationStabilising Rules	means the Rules, contained in MKT , made by the Regulator in accordance with section 7(4).
Relevant Person	<p>means—</p> <p>(a) for the purposes of section 209, and in relation to a person who is required to produce a Document—</p> <ul style="list-style-type: none"> (i) has been or is or is proposed to be a Director or Controller of that person; (ii) has been or is an auditor of that person; (iii) has been or is an actuary, accountant or lawyer appointed or instructed by that person; or (iv) has been or is an employee of that person; <p>(b) for the purposes of section 237, Authorised Persons and Recognised Bodies as defined in subsection (1)(a) of that section; or</p> <p>(c) for the purposes of Part 2, Chapter 4 and the Rules made under this Chapter:</p> <ul style="list-style-type: none"> (i) an Authorised Person other than a Credit Rating Agency; (ii) a Recognised Body; (iii) a Designated Non-Financial Business or Profession; (iv) a Non-Profit Organisation; or

	(v) any other person, as deemed by the Regulator to be a Relevant Person for the purposes of Chapter 4 by the Regulator under section 7(6) of these Regulations.
Relevant Provisions	means, for the purposes of sections 165 and 166, any provisions of the Default Rules of a Non-Abu Dhabi Global Market Recognised Clearing House which— <ul style="list-style-type: none"> (a) provide for the transfer of the positions or assets of a Defaulting Clearing Member; (b) are not necessary for the purposes of complying with the minimum requirements of Part 10; and (c) may be relevant to a question falling to be determined in accordance with the law of the Abu Dhabi Global Market.
Remote Investment Exchange	means an investment exchange <u>or Multilateral Trading Facility</u> operating outside the Abu Dhabi Global Market which has been granted a Recognition Order by the Regulator in accordance with section 127.
Remote Recognition Requirements	has the meaning given to that term in section 127 <u>138A</u> .
Requirement	means— <ul style="list-style-type: none"> (a) for the purposes of sections 35 and 36, a requirement imposed under section 35; and <u>(b) for the purposes of sections 124A, 124B and 124C, a requirement imposed under section 124A, 124B or 124C; and</u> <u>(bc)</u> for the purposes of section 137, any obligation or burden.
Rules of Market Conduct	means Rules made by the Regulator in accordance with section 96.
Specified Investment	means an investment falling within paragraphs 85 to 99 <u>B</u> of Schedule 1, without regard to any applicable exclusions or exemptions set out in that Schedule.
<u>Spot Commodity</u>	<u>means any physical or energy good of a fungible nature that is capable of being delivered and which is or can be traded on a secondary market.</u>

...

262. Consequential and supplementary provision

The Regulator may by Rules ~~which~~ make such incidental, consequential, transitional or supplemental provision as it considers necessary or expedient for the general purposes, or any particular purpose, of these Regulations or in consequence of any provision made by or under these Regulations or for giving full effect to these Regulations or any such provision.

....

Chapter 6 Custody

The activities

43. Providing Custody

- (1) Each of the following activities—
- (a) safeguarding of Financial Instruments, Virtual Assets, Spot Commodities or other assets belonging to another;
 - (b) in the case of a Fund, safeguarding Fund Property;
 - (c) Acting as a Central Securities Depository; or
 - (d) administering the assets, Financial Instruments, Virtual Assets, Spot Commodities or Fund Property for the purpose of sub-paragraphs (a) and (b);
- is a specified kind of activity.
- (2) For the purposes of this paragraph—
- (a) it is immaterial that title to the assets is held in uncertificated form; and
 - (b) it is immaterial that the assets may be transferred to another person, subject to a commitment that they will be replaced by equivalent assets at some future date or when so requested by the person to whom they belong.

...

Chapter 14 Operating a Representative Office

The activity

67. Operating a Representative Office

- (1) Operating a Representative Office is a Regulated Activity.

....

- (6) Any communication which amounts to marketing in respect of a financial service or investment, which is performed or issued by or on behalf of a Government or non-commercial governmental entity or a person licensed and supervised by a financial services regulator in the U.A.E., does not constitute marketing for the purposes of sub-paragraph (3).

...

76. Activities carried on in connection with the sale of goods or supply of services

- (1) Subject to sub-paragraphs (10), (11) and (12), this paragraph concerns certain activities carried on for the purposes of or in connection with the sale of goods or supply

of services by a supplier to a Customer, where "supplier" means a person whose main business is to sell goods or supply services and not to carry on any activities of the kind specified by any of paragraphs 4, 12, 16, 28, 33, 36, 43, 48, 56, 59, 60 and 61 where the supplier is a member of a Group, and also means any other member of that Group.

...

83. Commodity Derivative members of Recognised Bodies and Remote Bodies

A person who is a Body Corporate does not carry on the activity specified by paragraph 4 or 12 by way of business, if—

- (a) the person carries on such activities as a member of a Recognised Body or Remote Body;
- (b) the person carries on such activities for his own account or for another Body Corporate which is in the same Group as the person;
- (c) the person restricts such activities to transactions on or with that Recognised Body or Remote Body involving or relating only to Commodity Derivatives;
- (d) the main business of the person is dealing in relation to Commodity Derivatives; ~~and~~
- (e) the person is not part of a Group whose main business is the provision of financial services; and
- (f) the person is or is part of a Group that is not a Controller of a Recognised Body.

...

99A. Structured Products

(1) In this Regulation a "Structured Product" is a Financial Instrument comprising rights under a contract where:-

- (a) the gain or loss of each party to the contract is ultimately determined by reference to the fluctuations in the value or price of property of any description, an index, interest rate, exchange rate or a combination of any of these as specified for that purpose in the contract ("the underlying factor") and is not leveraged upon such fluctuations;
- (b) the gain or loss of each party is wholly settled by cash or set-off between the parties;
- (c) each party is not exposed to any contingent liabilities to any other counterparty; ~~and~~
- (d) there is readily available public information in relation to the underlying factor;
but excludes any rights under a Financial Instrument:
- (e) where one or more of the parties takes delivery of any property to which the contract relates;
- (f) which is a Debenture; or
- (g) which is a Contract of Insurance.

99B. Emissions Instruments

In this Regulation an “Emissions Instrument” is a Financial Instrument enabling its holder to emit greenhouse gases into the atmosphere, in accordance with any national or international emissions trading scheme recognised by the Regulator or such instrument, including offsets/reduction programs (or equivalent), otherwise recognised by the Regulator.

...

2. Short title, extent and commencement

- (1) These Regulations may be cited as the Financial Services and Markets (Amendment No X) Regulations 2022.
- (2) These Regulations shall apply in the Abu Dhabi Global Market.
- (3) These Regulations come into force on the date of their publication.