

## Glossary (GLO)

\*In this attachment underlining indicates new text and striking through indicates deleted text.

## 1. INTRODUCTION

### 1.1 Application

1.1.1 This ~~Rulebook module~~ ("GLO") applies to every Person to whom any ~~module~~ of the Rulebooks ~~applies~~.

### 1.2 Defined Terms

1.2.1 In the Rulebook:

- (1) a word or phrase which is defined in this module is a defined term and has the meaning given in GLO; and
- (2) a word or phrase which relates to a defined term must be interpreted accordingly.

#### Guidance

1. Defined terms are identified throughout the Rulebook by the capitalisation of the initial letter of a word or of each word in a phrase. Unless the context otherwise requires, where capitalisation of the initial letter or letters of a word or phrase is not used, the word or phrase has its natural meaning.
2. Many of the defined expressions in GLO are used or defined in the relevant ADGM Regulations or Rules made under such Regulations. In these cases, GLO may refer to the provision in the ~~Rules and Regulations~~ Regulations and Rules which are the source of the Rulebook definition.

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Defined Terms	Definitions
Advising	<del>Means Advising on Investments or Credit.</del>
AMLSCU	<del>Means the Anti Money Laundering Suspicious Cases Unit of the U.A.E. Central Bank.</del>
Annual Regulatory Return	<del>Means an annual regulatory return of the type specified in PIN A10.3.1.</del>
Associate	In relation to:  (a) MIR and GEN Chapter 8, means, in respect of a person holding Shares or entitled to control the exercise of voting power in an Authorised Person or a Holding Company of an Authorised Person:

Defined Terms	Definitions
	<p>(i) the spouse of A;</p> <p>(ii) a child or stepchild of A;</p> <p>(iii) the trustee of any settlement, including any disposition or arrangement under which property is held on trust or subject to a comparable obligation, under which A has a life interest in possession;</p> <p>(iv) an Undertaking of which A is a director;</p> <p>(v) a Person who is an Employee or partner of A;</p> <p>(vi) where A is an Undertaking:</p> <p><del>(A)vii</del> a director of A;</p> <p><del>(B)viii</del> a subsidiary or wholly owned subsidiary of A;</p> <p><del>(C)ix</del> a director or Employee of such a subsidiary or wholly owned subsidiary; <u>or</u></p> <p><del>(vix)</del> a Person who has an agreement or arrangement with A with respect to the acquisition, holding or disposal of Shares or other interests in the Authorised Person or the Holding Company of an Authorised Person or under which they undertake to act together in exercising their voting power in relation to an Authorised Person or the Holding Company of an Authorised Person or that other Person;</p> <p><del>(xi) including an affiliated company which is:</del></p> <p><del>(xii) an undertaking in the same Group as A; or</del></p> <p><del>(xiii) any other person whose business or domestic relationship with A or his Associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties.</del></p> <p>(b) Except in MIR and GEN Chapter 8, means, in respect of a Person 'A', any Person, including an affiliated company which is:</p>

Defined Terms	Definitions
	<ul style="list-style-type: none"> <li>(i) an undertaking in the same Group as A; or</li> <li>(ii) any other person whose business or domestic relationship with A or his Associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties.</li> </ul>
Branch	<p>Means a place of business within the ADGM <u>which</u>:</p> <ul style="list-style-type: none"> <li>(a) <del>which</del> has no separate legal personality;</li> <li>(b) forms a legally dependant part of an Authorised Person whose principal place of business and head office is in a jurisdiction other than the ADGM; and</li> <li>(c) through which the Authorised Person carries on Regulated Activities in or from the ADGM.</li> </ul>
Capital Requirement	<p>Means the <u>minimum</u> amount of e<u>Capital Resources</u> an Authorised Person must hold, calculated in accordance with the applicable provisions of PRU Chapter 3.</p>
Capital Resources	<p>Means the total capital resources of an Authorised Person calculated in accordance with PRU 3.15<u>1</u>.</p>

Defined Terms	Definitions
Deposit	<p>In relation to:</p> <p>(a) FEES, has the meaning given in paragraph 85 of Schedule 1 of FSMR; and</p> <p>(b) FUNDS <u>and COBS</u>, means a sum of money paid on terms:</p> <p>(i) under which it will be repaid, with or without interest or a premium, and either on demand or at a time or in circumstances agreed by or on behalf of the Person making the payment and the Person receiving it; and</p> <p>(ii) which is not referable to the provision of property (other than currency) or services or the giving of security.</p> <p>(iii) In (i) money is paid on terms which may be made by reference to the provision of property or services or the giving of security if:</p> <p>(A) it is paid by way of advance or part payment under a contract for the sale, hire or other provision of property or services, and is repayable only in the event that the property or services are not in fact sold, hired or otherwise provided;</p> <p>(B) it is paid by way of security for the performance of a contract or by way of security in respect of loss which may result from the non-performance of a contract; or</p> <p>(C) without prejudice to (ii), it is paid by way of security for the delivery up of property, whether in a particular state of repair or otherwise.</p>
Electronic Money Institution	Means an undertaking or any other legal person, <del>other than a Credit Institution, which</del> <u>that</u> issues payment in the form of electronic money.
<u>EPRS</u>	<u>Means Electronic Prudential Reporting System.</u>
Exempt Securities	Means Securities prescribed in MKT <del>2.24.4.</del>
Financial Institution	Means:

Defined Terms	Definitions
	<p>(a)(i<del>1</del>) an Authorised Person; or</p> <p>(ii<del>2</del>) any Person <del>which that</del> carries out as its principal business an activity which would, <del>if carried out in ADGM,</del> be a Regulated Activity <u>if carried out in ADGM</u>; and</p> <p>(3<del>b</del>) <u>that</u> is not one of the following:</p> <p>(A<del>i</del>) a governmental organisation, including the Central Bank of any State; or</p> <p>(B<del>ii</del>) a multilateral development bank.</p>
FOR	<del>Means the Prudential Forms module which contains the forms referred to in PRU, PIN and CIB.</del>
<u>Modification</u>	<u>Means in relation to GEN 8.2, written notice provided under FSMR.</u>
Personal Account Transactions	<p>Means a transaction undertaken by an Employee of an Authorised Person in an Investment, other than:</p> <p>(a) a transaction in a government or public Security;</p> <p>(b) a transaction in a life policy; or</p> <p>(c) a discretionary transaction where there is no prior communication with the Employee and the discretion is not exercised by the Authorised Person.</p>

<p>Prescribed Low Risk Customer</p>	<p>Means any of the following Customer types:</p> <ul style="list-style-type: none"> <li>(a) <del>an Authorised Person;</del></li> <li>(b) <del>a Recognised Body;</del></li> <li>(c) <del>a Financial Institution whose entire operations are subject to regulation, including AML, by a Non-ADGM Financial Services Regulator or other competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations and it is supervised for compliance with such regulations;</del></li> <li>(d) <del>a Subsidiary of a Financial Institution referred to in paragraph (c) of this definition, provided that that the parent company ensures that the Subsidiary also observes the same AML standards as its Parent;</del></li> <li>(e) <del>a law firm, notary firm, or other independent legal business or an equivalent Person in another jurisdiction whose entire operations are subject to AML regulation and supervision by a competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations;</del></li> <li>(f) <del>an accounting firm, auditor or other audit firm or insolvency firm or an equivalent Person in another jurisdiction whose entire operations are subject to AML regulation and supervision by a competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations;</del></li> <li>(g) <del>a company whose Financial Instruments are listed on a Regulated Exchange and which is subject to disclosure obligations broadly equivalent to those set out in MKT;</del></li> <li>(h) <del>a government body or a non-commercial government entity in the G.C.C. or a FATF member country; and</del></li> <li>(i) <del>a Customer where the business relationship is limited to the provision of one or more of the following products or services: <ul style="list-style-type: none"> <li>(A) <del>a Contract of Insurance which is non-life insurance;</del></li> <li>(B) <del>a Contract of Insurance which is a life insurance product with no investment return or redemption or surrender value;</del></li> </ul> </del> </li> </ul>
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Defined Terms	Definitions
	<p><del>(C) — a Contract of Insurance which is life insurance where the annual premium is no more than \$1,000 or where a single premium of no more than \$2,500 is paid;</del></p> <p><del>(D) — a Contract of Insurance for the purposes of a pension scheme where the contract contains no surrender clause and cannot be used as collateral;</del></p> <p><del>(E) — a Contract of Insurance which is a reinsurance contract not falling into (i) to (iv) which is ceded by an Insurer;</del></p> <p><del>(F) — pension, superannuation or similar scheme which provides retirement benefits to Employees, where contributions are made by an employer or by way of deduction from an Employee's wages and the scheme rules do not permit the assignment of a member's interest under the scheme; or</del></p> <p><del>(G) — arbitration, litigation or advice on litigation prospects.</del></p>
Quarterly Regulatory Return	Means a quarterly return of the type specified in CIB 2.3.6(2).
Regulatory Committee	Means the committee appointed by the Board in accordance with <del>section 222</del> Chapter 1 of Part 19 of FSMR.
Senior Management	<p>Means, in relation to:</p> <p>(a) other than <u>for</u> MIR and MKT, a Relevant Person every member of the Relevant Person's executive management and includes:</p> <p>(i) for an ADGM Entity, every member of the Relevant Person's Governing Body, <u>including its Board of Directors, Partners, Committee of Management or the other governing body of an Undertaking, as appropriate;</u></p> <p>(ii) for a Branch, the Person or Persons who control the day to day operations of the Relevant Person in the ADGM; or</p>



Defined Terms	Definitions
	<p>(iii) for an auditor, every member of the Relevant Person's executive management in the U.A.E.</p> <p>(b) MIR and MKT, any individual who either alone or jointly has ultimate responsibility for the day-to-day management, supervision and control of one or more (or all) parts of a Reporting Entity's business, which includes the first layer of management below the Governing Body.</p>
<u>Soft Dollar Agreement</u>	<u>Means an agreement in any form under which an Authorised Person receives goods or services in return for Investment Business put through another Person.</u>
<u>Suspicious Activity Report (SAR)</u>	<del>Means a report in the prescribed format regarding suspicious activity (including a suspicious Transaction) made to the AMLSCU.</del>
Transaction	Means any <del>T</del> transaction undertaken by a Relevant Person for or on behalf of a Customer in the course of carrying on a business in or from the ADGM.