



ABU DHABI GLOBAL MARKET
سوق أبوظبي العالمي

**FINANCIAL SERVICES AND MARKETS
(AMENDMENT NO x) REGULATIONS 2019**

*In this Annex, underlining indicates new text and strikethrough indicates deleted text, unless otherwise indicated.

FINANCIAL SERVICES AND MARKETS (AMENDMENT NO X) REGULATIONS 2019

Regulations to amend the Financial Services and Markets Regulations 2015.

Date of Enactment: [●]

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

Part 2 Rules and Guidance

Chapter 1 Rule-making Powers

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7. Other specific rule-making powers

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(6) ~~The Regulator may make Rules applying to any person (whether or not an Authorised Person, Approved Person, Recognised Body or Remote Body) in relation to money laundering and terrorist financing, including Rules prescribing systems, duties and obligations designed to detect, defend against, and prevent money laundering and terrorist financing activities. The Regulator may make Rules in connection with the creation and implementation of anti-money laundering measures, policies and procedures, including Rules as to:~~

(a) the persons or classes of persons who shall be subject to any such measures, policies and procedures;

(b) the nature and extent of any duty, requirement, prohibition, obligation or responsibility applicable to such persons; and

(c) registration of any or all such persons with the Regulator, including the criteria that person must meet to become and remain registered by the Regulator.

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Chapter 3 Guidance

15. Power of the Regulator to give Guidance

(1) The Regulator may give Guidance with respect to—

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(3) Nothing shall constitute Guidance unless it is published by the Regulator on its website.

Chapter 4 Anti-Money Laundering Powers

15A. Powers of the Regulator

(1) This chapter is made in recognition of the application in the Abu Dhabi Global Market of Federal Decree by Law No. 20 of 2018 on Anti Money Laundering, Combating the Financing of Terrorism and Financing of Illegal Organisations, Federal Law No. 7 of 2014 on Combating Terrorism Offences and any other Federal legislation relating to money laundering, terrorist financing, the financing of unlawful organisations or sanctions non-compliance.

(2) A reference in these Regulations to money laundering is taken to include terrorist financing, the financing of unlawful organisations and sanctions non-compliance.

(3) The Regulator:

(a) is designated as the Supervisory Authority for the Abu Dhabi Global Market, for the purposes of the Federal AML Legislation;

(b) is responsible for regulation in relation to money laundering in the Abu Dhabi Global Market; and

(c) has the power to supervise compliance with relevant AML laws in the State by Relevant Persons.

(4) The Regulator may, by written notice, deem a person to be a Relevant Person for the purposes of this Chapter and the Rules made under these Regulations, subject to such terms and conditions as it may consider appropriate.

(5) Nothing in this section 15A is intended to limit any function or power conferred on another body or authority under the Federal AML Legislation.

15B. Anti-Money Laundering Obligations of Relevant Persons

(1) A Relevant Person shall comply with Federal AML Legislation as it applies to such person in the Abu Dhabi Global Market.

(2) A Relevant Person shall comply with any duty, requirement, prohibition, obligation or responsibility to which that person is subject under the Rules.

(3) Where the Regulator detects conduct that it suspects may relate to money laundering, it shall promptly report its suspicions to the relevant authority exercising powers and performing functions under the relevant Federal AML Legislation.

(4) A Relevant Person shall conduct customer due diligence as specified in the Rules.

(5) A Relevant Person shall maintain records relating to customer due diligence, transactions and anti-money laundering measures as prescribed in the Rules.

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Part 21 Enforcement Procedure

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246. Requirement to give warning notices

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- (1) If the Regulator proposes to exercise any of the following powers, it must give a warning notice to any person in relation to whom the power is proposed to be exercised—
- (a) exercising its power under section 30(4)(a) or (b) on giving a Financial Services Permission;
 - (b) exercising its power under section 35(1) in connection with an Application for a Financial Services Permission;
 - (c) exercising its power under section 30(4)(a) or (b) in relation to the variation of a Financial Services Permission on the application of an Authorised Person;
 - (d) exercising its power under section 35(1) in connection with an application for the variation of a Financial Services Permission;
 - (e) exercising its power under section 33(2)(b) to cancel a Person's Financial Services Permission otherwise than at the Person's request;
 - (f) refusing an application made under Part 4;
 - (g) withdrawing approval under section 46;
 - (h) refusing an Application for Approval or granting the Application subject to any conditions or for a limited period (or both) under section 45(2);
 - (i) refusing an Application under section 47 or granting the Application subject to any conditions or for a limited period (or both) under section 47(1);
 - (j) refusing an Application for Listing, or imposing conditions or restrictions in relation to such an Application, under section 52(1);
 - (k) refusing an application by the Issuer of Financial Instruments for the Discontinuance or Suspension of the Listing of the Financial Instruments under section 55;
 - (l) refusing an application by the Issuer of Financial Instruments for the cancellation of a Suspension of Listing under section 55(4);
 - (m) refusing approval to a Prospectus under Rules made under section 61;
 - (n) exercising its power under section 72(4) on its own initiative;
 - (o) exercising the power of Direction in section 84;

- (p) refusing an application under section 72(4)(a)(ii) or imposing any conditions or restrictions in respect of a declaration made following such application;
- (q) exercising its powers under section 202;
- (r) publishing a statement under section 231;
- (s) imposing a financial penalty under section 232;
- (t) exercising its powers under section 233;
- (u) imposing a Prohibition Order under section 234 or refusing an application for variation or revocation of such an order made under subsection (5) of that section;
- (v) refusing an Application for registration of a Public Fund under section 109;
- (w) withdrawing the registration of a Public Fund under section 111;
- (x) giving a Direction under section 111(3);
- (xx) refusing an application for DNFBP registration under the Rules made under section 7(6)(1)(c); or
- (xxx) exercising its power to suspend or withdraw the registration of a DNFBP on its own initiative under the Rules made under section 7(6)(1)(c);
- (y) giving a Direction under section 117; and
- (z) exercising its power under section 241(5).

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Part 22 General

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258. Definitions

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

<u>Anti-Money Laundering Legislation</u>	<p><u>means-</u></p> <p>(a) <u>Federal AML Legislation; and</u></p> <p>(b) <u>legislation administered by the Regulator relating to money laundering, terrorist financing, the financing of unlawful organisations and non-compliance with sanctions.</u></p>
<u>Designated Non-Financial Business or Profession (DNFBP)</u>	<p><u>means the following class of persons whose business is carried out in the ADGM:</u></p> <p>(a) <u>A real estate agency, which carries out transactions with other Persons that involve the acquiring or disposing of Real Property;</u></p>

	<p>(b) <u>A dealer in precious metals or precious stones;</u></p> <p>(c) <u>A dealer in any saleable item of a price equal to or greater than USD15,000;</u></p> <p>(d) <u>An accounting firm, audit firm, insolvency firm or taxation consulting firm;</u></p> <p>(e) <u>A law firm, notary firm or other independent legal business; or</u></p> <p>(f) <u>A company service provider that carries out any of the following services to a customer:</u></p> <p>(i) <u>acting as a formation agent of a Legal Person;</u></p> <p>(ii) <u>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 relation to other Legal Persons or any other legal arrangement;</u></p> <p>(iii) <u>providing a registered office, business address or accommodation, correspondence or administrative address for a Legal Person or any other legal arrangement;</u></p> <p>(iv) <u>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</u></p> <p>(v) <u>acting as (or arranging for another Person to act as) a nominee shareholder for another person.</u></p>
<u>Federal AML Legislation</u>	<p><u>means Federal Decree by Law No. (20) of 2018 on Anti-Money Laundering, Combating the Financing of Terrorism and Financing of Illegal Organisations, Federal Law No. 7 of 2014 on Combating Terrorism Offences and any other Federal legislation relating to money laundering.</u></p>
<u>Legal Person</u>	<p><u>means any entity other than an individual that can establish a customer relationship with a Relevant Person or otherwise own property. This can include companies, Bodies Corporate or unincorporate, trusts, foundations, Partnerships, associations, states and governments and other relevantly similar entities.</u></p>

<u>money laundering</u>	<u>Means as described in section 15A(2).</u>
<u>Non-Profit Organisation</u>	<u>means a legal person 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.</u>
<u>Registrar of Companies</u>	<u>means the ADGM Registrar of Companies.</u>
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> <p>(i) has been or is or is proposed to be a Director or Controller of that person;</p> <p>(ii) has been or is an auditor of that person;</p> <p>(iii) has been or is an actuary, accountant or lawyer appointed or instructed by that person; or</p> <p>(iv) has been or is an employee of that person; and</p> <p>(b) for the purposes of section 237, Authorised Persons and Recognised Bodies as defined in subsection (1)(a) of that section.</p> <p>(c) <u>means, for the purposes of Part 2, Chapter 4 and the Rules made under this Chapter:</u></p> <p>(i) <u>an Authorised Person other than a Credit Rating Agency;</u></p> <p>(ii) <u>a Recognised Body;</u></p> <p>(iii) <u>a Designated Non-Financial Business or Profession;</u></p> <p>(iv) <u>a Non-Profit Organisation; or</u></p> <p>(v) <u>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.</u></p>
<u>Supervisory Authority</u>	<u>means a competent authority responsible for licensing or supervising financial institutions, DNFBPs and NPOs or for ensuring their</u>

	<u>compliance with requirements to combat money laundering, in accordance with the Federal AML Legislation.</u>
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2. Short title, extent and commencement

- (1) These Regulations may be cited as the Financial Services and Markets (Amendment No x) Regulations 2019.
- (2) These Regulations shall apply in the Abu Dhabi Global Market.
- (3) These Regulations come into force on the date of their publication.