

**FINANCIAL SERVICES REGULATORY AUTHORITY**  
**سلطة تنظيم الخدمات المالية**

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## **Glossary (GLO)**

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

Defined Terms	Definitions
<u>Abu Dhabi Global Market Financial System or ADGM Financial System</u>	<u>Has the meaning given in FSMR.</u>
Acting as a Central Securities Depository	<u>Has the meaning given in FSMR. <del>Means holding securities in uncertificated (dematerialised) form so as to act as a repository of ownership entitlements to such securities to enable book entry transfer of such securities for the purposes of settlement of transactions executed on a facility operated by a Recognised Investment Exchange, MTF or OTF or a similar facility regulated and supervised by a Non-ADGM Financial Services Regulator.</del></u>
Business Rules	Means the written rules of a Recognised Body which govern <u>a financial market operated by it</u> <del>its activities as a Recognised Body.</del>
Buy-back Programmes	In relation to MKT Chapter 6, means trading in own Shares in accordance with the Companies Regulations 2015, <u>or other comparable legislation relevant to non-ADGM incorporated Listed Entities.</u>
Chief Executive or CEO	In relation to:  (a) RMC, means:  (i) in relation to a Body Corporate whose principal place of business is within the ADGM, an employee of that body who, alone or jointly with one or more others, is responsible under the immediate authority of the Directors, for the conduct of the whole of the business of that body; and  (ii) in relation to a Body Corporate whose principal place of business is outside the ADGM, means the person who, alone or jointly with one or more other Persons, is responsible for the conduct of its business within the ADGM; and  (b) <u>GEN and MKT</u> , means the individual appointed to the office of Chief Executive of the Regulator by the Board.
Clearing	Means, in relation to a Recognised Clearing House <u>or Remote Clearing House</u> , the process of establishing positions, including the calculation of net obligations and ensuring that Securities, cash, or

Defined Terms	Definitions
	both, are available to secure the exposures arising from those positions.
Clearing Member	Means, in relation to a Recognised Clearing House <u>or Remote Clearing House</u> , an undertaking which participates in a Recognised Clearing House <u>or Remote Clearing House</u> and which is responsible for discharging the financial obligations arising from that participation.
Clearing Member Client Contract	Means a contract between a Recognised Clearing House <u>or Remote Clearing House</u> , and one or more of the parties mentioned in section <del>151</del> <u>146</u> (6) of FSMR which is recorded in the accounts of the Recognised Clearing House <u>or Remote Clearing House</u> as a position held for the account of a Client, an Indirect Client or a group of Clients or Indirect Clients.

Defined Terms	Definitions
Clearing Services	<p>Means:</p> <ul style="list-style-type: none"> <li>(a) the services provided by a Recognised Body <u>or Remote Body</u> in connection with contracts between each of the parties or the Recognised Body <u>or Remote Body</u> (in place of, or as an alternative to, a contract directly between the parties);</li> <li>(b) the services provided by a Recognised Body <u>or Remote Body</u> to another Recognised Body <u>or Remote Body</u> in connection with contracts between them; or</li> <li>(c) the services provided by a Recognised Investment Exchange to a Recognised Clearing House or to another Recognised Investment Exchange in connection with contracts between them,</li> </ul> <p>for the purpose of enabling the rights and liabilities of that <del>Member, member or</del> Recognised Investment Exchange, <u>Remote Body</u> or other Recognised Clearing House under a transaction to be settled.</p>
Client	<p><del>In relation to:</del></p> <ul style="list-style-type: none"> <li><del>(a) MIR, means a person who is not a Professional Client or Market Counterparty and who has engaged a Professional Client or Market Counterparty to act as his agent; and</del></li> <li><del>(b) COBS and elsewhere apart from MIR, m</del>Means a Retail Client, Professional Client or Market Counterparty as defined in COBS.</li> </ul>
Complaint	<p>Means any oral or written expression of dissatisfaction from a Client to an Authorised Person <u>or Recognised Body</u> in connection with the provision of, or failure to provide, a Regulated Activity to the Client.</p>
Connected Person	<p>Has the meaning given in MKT <del>Rules made by the Regulator</del> in accordance with section 76(2)(a) of FSMR.</p>
Controller	<p>In relation to:</p> <ul style="list-style-type: none"> <li><del>(a) MIR, means a Person who, either alone or with any Associate:</del> <ul style="list-style-type: none"> <li><del>(i) holds 10% or more of a Recognised Body's shares;</del></li> </ul> </li> </ul>

Defined Terms	Definitions
	<p><del>(ii) is entitled to exercise, or control the exercise, of 10% or more of the voting rights in respect of a Recognised Body;</del></p> <p><del>(iii) is able to exercise significant management influence over management via a shareholding in a Recognised Body; or</del></p> <p><del>(iv) meets one or more of conditions of sub-paragraphs (i), (ii), or (iii) of this definition in respect of a Holding Company of a Recognised Body; and</del></p> <p><del>(a)</del> <u>GEN, MIR and FEES</u>, means in relation to an Authorised Person or Recognised Body, a Person who, either along or with any Associate fulfils the criteria specified in GEN 8.8.2; <del>and:</del></p> <p><u>(b) MKT</u>, means a Person who meets the criteria specified in MKT 3.6.2 or MKT 7.3.2(2).</p>
Corporate Governance	<p>In relation to:</p> <p>(a) <del>an Issuer</del> <u>Reporting Entity</u>, means <u>the</u>:</p> <p>(i) <del>the</del> nature, constitution or functions of the organs of the <u>Reporting Entity</u><del>Issuer</del>;</p> <p>(ii) <del>the</del> manner in which organs of the <u>Reporting Entity</u><del>Issuer</del> conduct themselves;</p> <p>(iii) <del>the</del> requirements imposed on organs of the <u>Reporting Entity</u><del>Issuer</del>;</p> <p>(iv) <del>the</del> relationship between the different organs of the <u>Reporting Entity</u><del>Issuer</del>; and</p> <p>(v) <del>the</del> relationship between the organs of the <u>Reporting Entity</u><del>Issuer</del> and the members of the <u>Reporting Entity</u><del>Issuer</del> or holders of the Issuer's Securities; and</p> <p>(b) <u>in all other cases</u>, means the <u>principles</u><del>Principles</del> prescribed in MKT 9.2.3 to 9.2.9.</p>
<u>Default Rules</u>	<u>Has the meaning given in FSMR.</u>

Defined Terms	Definitions
Derivative or Derivative Contract	Means Specified Investments falling within paragraphs 94 to 96 of Schedule 1 of FSMR or, so far as relevant to such investments, any investment falling within paragraphs <u>98 or 99</u> of that Schedule.
<u>Designated Non-Member</u>	<u>Has the meaning given in FSMR.</u>
Direct Electronic Access	Means any arrangement, such as the use of the <u>M</u> member's trading code, through which a <u>M</u> member or the <u>C</u> lients of that <u>M</u> member are able to transmit orders relating to <u>Financial Instruments</u> <del>investments</del> directly to the facility provided by the Recognised Body.
Eligible Custodian	<p>Means a Person who is a separate legal entity from the Fund Manager and who also meets one of the following criteria:</p> <ul style="list-style-type: none"> <li>(a) an Authorised Person whose Financial Services Permission authorises it to Provide Custody;</li> <li>(b) an Authorised Person that is a Bank;</li> <li>(c) a Recognised Body <u>or Remote Body</u>;</li> <li>(d) a legal entity that is authorised and supervised by a Non-ADGM Financial Services Regulator in a Recognised Jurisdiction for providing custody services in respect of a Fund and is subject to a minimum capital requirement of \$4 million or its equivalent in any other currency at the relevant time and has had surplus revenue over expenditure for the last two financial years;</li> <li>(e) a legal entity where it, or its holding company, is: (i) in respect of its financial strength, rated or graded as at least "investment grade" by Moody's, Fitch or Standard &amp; Poor's or such other international rating agency as may be recognised by the Regulator; and (ii) authorised and supervised by a Non-ADGM Financial Services Regulator in another jurisdiction which is a Zone 1 country;</li> <li>(f) a legal entity that is authorised or recognised by a Non-ADGM Financial Services Regulator to operate as an exchange or a clearing house in a Recognised Jurisdiction;</li> <li>(g) a legal entity that is and remains: (i) controlled and wholly owned by one or more of the national governments of the six member states of the Gulf Cooperation Council; (ii) authorised and supervised by a Non-ADGM Financial</li> </ul>

Defined Terms	Definitions
	<p>Services Regulator or Central Bank of at least one of the said national governments; and (iii) rated or graded as at least "investment grade" by Moody's, Fitch or Standard &amp; Poor's or such other international rating agency as may be recognised by the Regulator; or</p> <p>(h) any other legal entity otherwise acceptable to the Regulator.</p>
<u>Eligible Security</u>	<del>Means a Share, Debenture, Certificate over a Share or Debenture, or a Warrant over a Share or Debenture.</del>
<u>Exempt Person</u>	<u>Has the meaning given in FSMR.</u>
<u>Financial Instrument</u>	<u>Has the meaning given in FSMR.</u>
<u>General Prohibition</u>	<u>Has the meaning given in FSMR.</u>
<u>Greenshoe Option</u>	<p>In relation to MKT Chapter 6, means an option granted by the Offeror in favour of <u>the Stabilisation Manager and/or his Stabilisation Agents</u><del>an Authorised Person</del> involved in the Offer for the purpose of covering over-allotments, under the terms of which such <u>Stabilisation Manager or his Stabilisation Agents</u><del>Authorised Persons</del> may purchase up to a certain amount of Relevant Securities at the Offer price <u>during the Stabilisation Window</u><del>for a certain period of time after the Offer of the Relevant Securities.</del></p>
<u>Listed Entity</u>	<u>Means the Reporting Entity of Securities which are admitted to the Official List</u> <del>Has the meaning given in MKT 2.1.1(2).</del>
<u>Listed Fund</u>	Means a Collective Investment Fund which has been admitted to the Official List <del>of Securities.</del>
<u>Listed Securities</u>	<u>Means in relation to MKT, the Securities of the Issuer or, where the context requires, the Securities for which the Listed Entity is a Reporting Entity but not the Issuer.</u>
<u>Listing Principles</u>	<u>Means in the Rules in MKT Rule 2.2.</u>
<u>Listing Rules</u>	<u>Means in the Rules in MKT chapter 2.</u>
<u>Market Contract</u>	<u>Has the meaning given in FSMR.</u>
<u>Market Operator</u>	<del>Means a Person who manages or operates the business of a Recognised Investment Exchange.</del>

Defined Terms	Definitions
Multilateral Trading Facility (MTF)	Means a multilateral system, operated by an Authorised Person or a <u>Recognised Investment Exchange Market Operator</u> , which brings together multiple third-party buying and selling interests in Financial Instruments, in the system and in accordance with non-discretionary rules, in a way that results in a contract in accordance with its rules.
<u>Non-ADGM Clearing House</u>	<u>Has the meaning given in FSMR.</u>
<del>Non-ADGM Recognised Body</del>	<del>Means a Non-ADGM Clearing House or Non-ADGM Investment Exchange which has been approved by the Regulator in accordance with section 127 of FSMR.</del>
<del>Non-ADGM Recognised Clearing House</del>	<del>Means a clearing house operating outside the ADGM which has been approved by the Regulator in accordance with section 127 of FSMR.</del>
<del>Non-ADGM Recognised Investment Exchange</del>	<del>Means an investment exchange operating outside the ADGM which has been approved by the Regulator in accordance with section 127 of FSMR.</del>
<u>Non-ADGM Regulator</u>	<u>Has the meaning given in FSMR.</u>
<u>Overseas Competent Authority</u>	Means a competent authority responsible for the authorisation or supervision of Recognised Clearing Houses in a country or territory other than the ADGM.
Prescribed Market	Means any Recognised Investment Exchange, MTF <u>and</u> OTF <del>in the U.A.E.</del>
Price Stabilisation	<u>Means, in relation to MKT Chapter 6, any purchase or Offer to purchase Relevant Securities, or any transaction in Associated Instruments equivalent thereto, by Authorised Persons, which is undertaken in the context of a Significant Distribution of such Relevant Securities exclusively for supporting the market price of these Relevant Securities for a predetermined period of time, due to a selling pressure in such Securities.</u> <del>Means activity of stabilising the price of an Eligible Security in the manner described in Rules.</del>
<u>Recognition Order</u>	<u>Has the meaning given in FSMR.</u>
Recognition Requirements	Means the requirements set out in <del>MIR 7.3</del> <u>Chapters 2 to 4</u> in relation to the granting of a <u>Recognition Order under section 120 of the FSMR</u> <del>Financial Services Permission</del> to a Recognised Body.



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<u>Regulated Exchange</u>	<u>Means an exchange regulated by a Non-ADGM Financial Services Regulator.</u>
<u>Regulatory Functions</u>	Means the functions of the Recognised Body so far as relating to, or the matters arising out of, the obligations to which the <u>Recognised Body</u> is subject to under FSMR and MIR <del>by or under these Regulations.</del>
<u>Regulatory Provision</u>	<u>Has the meaning given to that term in section 138(1)(a) of FSMR.</u>
<u>Relevant Office Holder</u>	<u>Has the meaning given to that term in FSMR.</u>
<u>Remote Body</u>	Means a <u>Remote Investment Exchange</u> <del>Non-ADGM Clearing House</del> or <u>Remote Clearing House</u> <del>Non-ADGM Investment Exchange</del> which has been granted a Recognition Order <del>approved by the Regulator</del> in accordance with section <del>127</del> <u>163</u> of FSMR.
<u>Remote Clearing House</u>	Means a clearing house operating outside the ADGM which has been granted a Recognition Order <del>approved by the Regulator</del> in accordance with section <del>127(2)(b)</del> <u>163</u> of FSMR.
<u>Remote Investment Exchange</u>	Means an investment exchange operating outside the ADGM which has been granted a Recognition Order <del>approved by the Regulator</del> in accordance with section <del>127(2)(a)</del> <u>163</u> of FSMR.
<u>Remote Recognition Requirements</u>	<u>Means the requirements set out in MIR 7.3 in relation to the granting of a Recognition Order under section 127 of the FSMR to a Remote Body.</u>
<u>Remote Member</u>	<u>Means a person located in a jurisdiction other than the ADGM which has been granted a Recognition Order under section 138A of FSMR.</u>
<u>Remote Member Requirements</u>	<u>Means the requirements set out in MIR 8.2.2 in relation to the granting of a Recognition Order under section 138A of the FSMR to a Remote Member.</u>
<u>Senior Management</u>	Means, in relation to: <ul style="list-style-type: none"> <li><u>(a) other than MIR and MKT, a Relevant Person every member of the Relevant Person's executive management and includes:</u> <ul style="list-style-type: none"> <li><u>(i) for an ADGM Entity, every member of the Relevant Person's Governing Body;</u></li> </ul> </li> </ul>

Defined Terms	Definitions
	<p>(ii<b>h</b>) for a Branch, the Person or Persons who control the day to day operations of the Relevant Person in the ADGM; or</p> <p>(iii<b>e</b>) for an auditor, every member of the Relevant Person's executive management in the U.A.E.</p> <p><b>(b)</b> <u>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.</u></p>
Share	<p>In relation to:</p> <p>(a) GEN 8.8, means:</p> <p>(i) in the case of an Authorised Person, or a Holding Company of an Authorised Person, which has a share capital, its allotted shares;</p> <p>(ii) in the case of an Authorised Person, or a Holding Company of an Authorised Person, with capital but no share capital, rights to a share in its capital; and</p> <p>(iii) in the case of an Authorised Person, or a Holding Company of an Authorised Person, without capital, any interest conferring a right to share in its profits or losses or any obligation to contribute to a share of its debt or expenses in the event of its winding up;</p> <p>(b) COBS, means:</p> <p>(i) in relation to a <u>Authorised Person or Recognised Body</u> or a Holding Company of an <u>Authorised Person or Recognised Body</u> with share capital, allotted shares;</p> <p>(ii) in relation to an <u>Authorised Person or Recognised Body</u> or a Holding Company of an <u>Authorised Person or Recognised Body</u> with capital but no share capital, rights to a portion of the capital of an <u>Authorised Person or a Recognised Body</u> or a Holding Company of an <u>Authorised Person or a Recognised Body</u>; or</p>

Defined Terms	Definitions
	<p>(iii) in relation to an <u>Authorised Person</u> or a <u>Recognised Body</u> or a <u>Holding Company of an Authorised Person or Recognised Body</u> without capital interests:</p> <p>(A) conferring any right to share in the profits, or liability to contribute to the losses, of an <u>Authorised Person</u> or <u>Recognised Body</u> or a <u>Holding Company of an Authorised Person or Recognised Body</u>; or</p> <p>(B) giving rise to any obligation to contribute to the debt or expenses of an <u>Authorised Person</u> or <u>Recognised Body</u> or a <u>Holding Company of an Authorised Person or Recognised Body</u> in the event of a winding up of the <u>Authorised Person</u> or <u>Recognised Body</u> or a <u>Holding Company of an Authorised Person or Recognised Body</u>; and</p> <p>(c) FEES, has the meaning given in paragraph 87 of Schedule 1 of FSMR.</p>
Shari'a Supervisory Board	<p>Means the board comprised of individuals appointed by:</p> <p>(a) an <u>Authorised Person</u> pursuant to IFR 3.5 and entrusted with the duty of directing, reviewing and supervising the activities of the <u>Authorised Person</u> conducting Islamic Financial Business in order to ensure that the activities conducted by the <u>Authorised Person</u> are in compliance with Shari'a; or</p> <p>(b) <u>an Issuer, or Reporting Entity, as applicable, entrusted with the duty of making a Shari'a pronouncement as to the Issuer's Securities' Shari'a compliance.</u></p>
Short Selling	<p>Means <del>an Authorised Person, means</del> the sale of a Security by a Person who does not own the Security at the point of entering into the contract to sell.</p>
Stabilisation	<p><del>Means, in relation to MKT Chapter 6, any purchase or Offer to purchase Relevant Securities, or any transaction in Associated Instruments equivalent thereto, by Authorised Persons, which is undertaken in the context of a Significant Distribution of such Relevant Securities exclusively for supporting the market price of these Relevant Securities for a predetermined period of time, due to a selling pressure in such Securities.</del></p>

<b>Defined Terms</b>	<b>Definitions</b>
<u>Stabilisation Agent</u>	<u>A Person appointed by the Stabilisation Manager under MKT Rule 6.2.14 to assist him in conducting Price Stabilisation.</u>
<u>Stabilisation Manager</u>	<u>A Person appointed by an Issuer of Shares under MKT Rule 6.2.13 to conduct Price Stabilisation.</u>
<u>Stabilisation Window</u>	<u>The period of time specified in MKT Rule 6.2.8 during which Price Stabilisation may occur.</u>