

Glossary (GLO)

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

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.

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Defined Terms	Definitions
Abu Dhabi Global Market Financial System or ADGM Financial System	Has the meaning given in <u>section 258 of FSMR</u> .
Acting as a Central Securities Depository	Has the meaning given in <u>section 258 of FSMR</u> .
Applicant	Has the meaning given in <u>section 258 of FSMR</u> .
Client Account	In relation to: (a) <u>Client Money and Relevant Money</u> , means an account as described in COBS 14.2.5(a); and (b) a Safe Custody Investment, means an account specified in COBS 15.4.2.
Client Money Distribution Rules	Means the Rules in COBS 14.4 relating to the distribution of Client Money following a Pooling Event. <u>Has the meaning given in COBS 14.4.1.</u>
<u>Credit Value Date</u>	<u>Means the date upon which Money placed in a Payment Account may be accessed by the holder of the Payment Account following a Payment Transaction.</u>
<u>Debit Value Date</u>	<u>Means the date upon which Money is debited from the Payment Account of the Payer.</u>
Default Rules	Has the meaning given in <u>section 258 of FSMR</u> .
Designated Non-Member	Has the meaning given in <u>section 258 of FSMR</u> .
<u>Direct Debit</u>	<u>Means a Payment Service for debiting the Payer's Payment Account where a Payment Transaction is initiated by the payee on the basis of consent given by the Payer to the Payee, to the Payee's Payment Service Provider or to the Payer's own Payment Service Provider.</u>
<u>Electronic Remote Payment Transaction</u>	<u>Means a Payment Transaction initiated by a Payer to pay for goods or services using electronic means without the</u>

	<u>simultaneous physical presence of the Payer and the Payee to the Payment Transaction.</u>
Exempt Person	Has the meaning given in <u>section 258 of FSMR.</u>
Financial Instrument	Has the meaning given in <u>section 258 of FSMR.</u>
<u>Framework Contract</u>	<u>Means a contract for the performance of Payment Services that governs the future execution of individual and successive Payment Transactions and which may contain the obligation and conditions for setting up a Payment Account.</u>
General Prohibition	Has the meaning given in <u>section 258 of FSMR.</u>
<u>Low-Value Payment Instrument</u>	<u>Means any Payment Instrument that:</u> <u>(a) (i) can be used only to execute individual payment transactions of US\$25 (or its equivalent) or less; and</u> <u>(ii) has a monthly spending limit of US\$1000 (or its equivalent); or</u> <u>(b) has Stored Value that does not exceed US\$500 (or its equivalent) at any time.</u>
Market Contract	Has the meaning given in <u>section 258 of FSMR.</u>
Money	Means any form of money, including <u>banknotes, coins, cheques, electronic money and any other non-cash form, such as and other payable orders.</u>
<u>Money Remitter</u>	<u>Has the meaning given in section 258 of FSMR.</u>
Non-ADGM Clearing House	Has the meaning given in <u>section 258 of FSMR.</u>
Non-ADGM Regulator	Has the meaning given in <u>section 258 of FSMR.</u>
<u>Payee</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Payer</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Payment Account</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Payment Account Provider</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Payment Initiation Service Provider</u>	<u>Means a person that initiates a Payment Order at the request of a Payment Service User with respect to a Payment Account held at another Payment Service Provider.</u>
<u>Payment Instrument</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Payment Order</u>	<u>Means any instruction by a Payer or a Payee to their respective Payment Service Provider requesting the execution of a Payment Transaction.</u>
<u>Payment Service Provider</u>	<u>Has the meaning given in section 258 of FSMR.</u>

<u>Payment Service User</u>	<u>Means a Person who makes use of Payment Services in the capacity of Payer, Payee, or both.</u>
<u>Payment Services</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Payment Transaction</u>	<u>Means an act initiated by the Payer or Payee, or on behalf of the Payer, of placing, transferring or withdrawing Money, irrespective of any underlying obligations between the Payer and Payee.</u>
<u>Personalised Security Credentials</u>	<u>Means personalised features provided by a Payment Service Provider to a Payment Service User for the purposes of authentication of the identity of the Payment Service User.</u>
<u>Price Stabilising Rules</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Private Financing Platform (PFP)</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Recognition Order</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Reference Exchange Rate</u>	<u>Means the exchange rate that is used as the basis to calculate any currency exchange and that is made available by the Payment Service Provider or comes from a publicly available source.</u>
<u>Relevant Money</u>	<u>Means sums received from or for the benefit of a Payment Service User in the course of the execution of a Payment Transaction, whether held on behalf of a Payment Service User in a Payment Account or exchanged for a Payment Instrument or Stored Value, or sums received from a Payment Service Provider for the execution of a Payment Transaction on behalf of a Payment Service User.</u>
<u>Relevant Office Holder</u>	<u>Has the meaning given to that term in section 258 of FSMR.</u>
<u>Secondary Pooling Event</u>	<u>Has the meaning given in COBS 14.4.5.</u>
<u>Single Payment Service Contract</u>	<u>Means a contract for a single Payment Transaction not covered by a Framework Contract.</u>
<u>Strong Customer Authentication</u>	<u>Means authentication based on the use of two or more elements that are independent, in that the breach of one element does not compromise the reliability of any other element, and designed in such a way as to protect the confidentiality of the authentication data, with the elements falling into two or more of the following categories:</u> <ul style="list-style-type: none"> <u>(a) something known only by the Payment Service User ("knowledge");</u> <u>(b) something held only by the Payment Service User ("possession");</u>

	<u>(c) something inherent to the Payment Service User (“inherence”).</u>
<u>Stored Value</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Stored Value Provider</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Total Variable Capital Requirement</u>	<u>Means the sum of the Variable Capital Requirements calculated in accordance with Section 3.6A of PRU for the activities undertaken by a Money Remitter or a Payment Service Provider.</u>
<u>Unique Identifier</u>	<p><u>Means a combination of letters, numbers or symbols specified to the Payment Service User by the Payment Service Provider and to be provided by the Payment Service User in relation to a Payment Transaction in order to identify unambiguously one or both of:</u></p> <p><u>(a) another Payment Service User who is a party to the Payment Transaction;</u></p> <p><u>(b) the other Payment Service User’s Payment Account.</u></p>
<u>Variable Capital Requirement</u>	<u>Means a capital requirement calculated in accordance with Rules 3.6A.2, 3.6A.4 and 3.6A.6 of PRU as applicable for the activities undertaken by a Money Remitter or a Payment Service Provider.</u>