

Appendix 1

In this appendix underlining indicates new text and striking through indicates deleted text.



The DFSA Rulebook

Conduct of Business Module

(COB)

6 ADDITIONAL RULES – INVESTMENT BUSINESS

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6.7 Record keeping – transactions and orders voice and electronic communications

Voice records

6.7.1 ~~An Authorised Firm must make and retain voice recordings of its telephone calls used for negotiating, agreeing, arranging and confirming Transactions and for the passing of payment instructions.~~

(1) An Authorised Firm must, subject to (2), take reasonable steps to ensure that it makes and retains recordings of its voice and electronic communications when such communications are with a Client or with another Person in relation to a Transaction, including the receiving or passing of related instructions.

(2) The obligation in (1) does not apply in relation to voice and electronic communications which are not intended to lead to the conclusion of a specific Transaction and are general conversations or communications about market conditions.

Guidance

The effect of Rule 6.7.1 is that an Authorised Firm may conduct the kind of business contemplated in (1) over a mobile phone or other handheld electronic communication device but only if the Authorised Firm is able to record such communications. Further, mere transmission of instructions by front office personnel to back office personnel within an Authorised Firm would not ordinarily be subject to this Rule.

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6.7.3 Voice and electronic communication recordings must be retained for a minimum of ~~three~~ six months.

7 CORE RULES - INSURANCE

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7.2 Insurance business and intermediation restrictions

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7.2.2 An Authorised Firm must ensure that it does not:

- (a) if it is an Insurer, Effect a Contract of Insurance or Carry Out a Contract of Insurance through an establishment maintained by it in the DIFC; or
- (b) if it is an Insurance Intermediary, act in relation to a Contract of Insurance;

where the contract is in relation to a risk situated within the U.A.E, unless the risk is situated in the DIFC, or the contract is one it is a contract of re-insurance.

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