

Appendix 6

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



The DFSA Rulebook

Glossary Module

(GLO)

<p>Advisor</p>	<p>In relation to a Fund, a Person who is retained by the Fund, its Eligible Custodian, a Person providing oversight or its Operator <u>Fund Manager</u> under a commercial arrangement which is not a contract of service:</p> <p>(a) to supply any of them with the advice in relation to the Fund as to the merits of investment opportunities or information relevant to the making of judgments about the merits of investment opportunities; or</p> <p>(b) to exercise for any of the functions concerning the management of the Fund Property.</p>
<p>Affected Person</p>	<p>In relation to a Fund:</p> <p>(a) its Operator <u>Fund Manager</u>;</p> <p>(b) its Governing Body;</p> <p>(c) its Custodian;</p> <p>(d) its Trustee or other Persons providing oversight;</p> <p>(e) any Advisor;</p> <p>(f) a holder of 5% or more of the Units of the Fund;</p> <p>or</p> <p>(g) any Associate of any Person in (a) to (f).</p>
<p>Collective Investment Fund</p>	<p>An arrangement which amounts to a Fund under Article 45 <u>11</u> of the Collective Investment Law 2006 <u>2010</u> and which is not excluded under the Rules made under Article 46 <u>12</u> set out under CIR section 2.3 <u>2.1</u>.</p>
<p>Constitution</p>	<p>In relation to a Fund:</p> <p>(a) which is in the form of a Body Corporate, the instrument of incorporation;</p> <p>(b) which is in the form of a Trust, the trust deed;</p> <p>(c) which is in the form of a Partnership, the partnership deed; or</p> <p>(d) adopting a form other than one specified in (a) to (c), any instrument creating the legal form of the Fund to which the Operator <u>Fund Manager</u> is a party setting out provisions relating to any aspect of the operation or management of the Fund.</p>

<p>Delegation Agreement</p>	<p>An agreement in writing entered into by an <u>Operator</u> <u>Fund Manager</u> or <u>Trustee</u> with a <u>Service Provider</u> in relation to delegated activities, which fulfils the criteria in CIR App 1.</p>
<p>Eligible Custodian</p>	<p>An Eligible Custodian is a Person who is a separate legal entity from the Operator and, in the case of an Investment Trust, both the Operator and the Trustee, and is:</p> <p>(1) an Authorised Firm whose Licence authorises it to Provide Custody Services;</p> <p>(2) an Authorised Firm which is a Bank;</p> <p>(3) an Authorised Market Institution;</p> <p>(4) an Undertaking:</p> <p>(a) that is authorised and supervised by a 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;</p> <p>(b) where it, or its holding company, in respect of its financial strength is:</p> <p>(i) rated or graded as at least “investment grade” by Moody’s, Fitch or Standard & Poor’s or such other international rating agency as may be recognised by the DFSA; and</p> <p>(ii) is authorised and supervised by a Financial Services Regulator in another jurisdiction which is a Zone 1 country; or</p> <p>(c) where it is authorised or recognised by a Financial Services Regulator to operate as an exchange or a clearing house in a Recognised Jurisdiction; or</p> <p>(5) an Undertaking that is and remains:</p> <p>(a) controlled and wholly owned by one or more of the national governments of the six member states of the Gulf Cooperation Council;</p> <p>(b) authorised and supervised by a Financial Services Regulator or Central Bank of at least one of the said national governments; and</p> <p>(c) rated or graded as at least “investment grade” by Moody’s, Fitch or Standard &</p>

	<p>Poor's or such other international rating agency as may be recognised by the DFSA.</p> <p><u>Has the meaning given in CIR Rule 8.2.4</u></p>
<u>External Fund</u>	<u>Has the meaning given in Article 14 of the Collective Investment Law 2010.</u>
<u>External Fund Manager</u>	<u>Has the meaning given in Article 20(5) of the Collective Investment Law 2010.</u>
Feeder Fund	<p>A Fund which is dedicated to investing in the Units or Debentures of another Fund (the Master Fund) or in the Units or Debentures of a single eligible Master Fund.</p> <p><u>Has the meaning given in CIR Rule 3.1.4</u></p>
Fund of Funds	<p>A Fund which invests in two or more other Funds and which meets the requirements of CIR section 13.2.</p> <p><u>Has the meaning given in CIR Rule 3.1.3</u></p>
Governing Body	<p>(1) The board of directors, partners, committee of management or other governing body of an Undertaking.</p> <p>(2) In CIR, in relation to a Fund, a Person or a body of Persons who together form the directing mind of the Fund including but not limited to:</p> <p>(a) its Operator <u>Fund Manager</u>, a member of its main or supervisory board, a General Partner; or</p> <p>(b) any other Person or body of Persons exercising equivalent powers and functions in relation to directing the operation of the Fund.</p>

<p>Hedge Fund</p>	<p>A Hedge Fund which has some or all of the following characteristics:</p> <p>(a) it has a broad mandate giving its Operator flexibility to shift strategy;</p> <p>(b) it is aimed at achieving absolute returns rather than returns relative to the market;</p> <p>(c) it employs some or all of the following techniques:</p> <p>(i) the pursuit of absolute returns or “alpha” rather than measuring their investment performance relative to the market;</p> <p>(ii) the use of short selling;</p> <p>(iii) the use of Derivatives for investment purposes;</p> <p>(iv) the use of economic or debt leverage as well as leverage embedded in financial instruments such as Derivatives;</p> <p>(v) the acquisition of distressed debt with a view to its realisation at a profit; or</p> <p>(vi) the acquisition of “high yield” debt Securities; or</p> <p>(d) it charges performance-based fees in addition to a management fee based on the volume of assets under management.</p> <p><u>Has the meaning given in CIR Rule 3.1.9</u></p>
<p>Islamic Fund</p>	<p>A Fund whose entire operations are conducted in accordance with Shari’a.</p> <p><u>Has the meaning given in CIR Rule 3.1.2</u></p>
<p>Issuer</p>	<p>(1) (in relation to any Security) (other than a Unit in a Collective Investment Fund) the Person by whom it is or is to be issued;</p> <p>(2) (in relation to a Unit in a Collective Investment Fund) the <u>Fund Manager</u> operator of the fund;</p> <p>(3) (in relation to an interest in a limited Partnership) the Partnership; and</p> <p>(4) (in relation to Certificates) the Person who issued or is to issue the Security to which the</p>

	Certificate or other instrument relates.
ISF IFR	The Islamic Finance Rules Financial Business module of the Rulebook.
Master Fund	<p>A Fund into which a Feeder Fund invests all of its Fund Property.</p> <p><u>Has the meaning given in CIR Rule 3.1.5</u></p>
Outsourcing Agreement	An agreement in writing entered into by an <u>Operator Fund Manager</u> or Trustee with a Service Provider in relation to outsourced functions, which fulfils the criteria in CIR App 1.
<u>Operator Fund Manager</u>	The Person, described under Article 17(3) 20(4) of the Collective Investment Law 2006 <u>2010</u> , who is responsible for the management of the property held for or within a Fund and who otherwise operates the Fund and, in relation to a Domestic Fund, is authorised under a Licence granted by the DFSA to operate the Fund.
Private Equity Fund	<p>A Fund which:</p> <p>(a) — invests in unlisted companies, by means of equity or convertible debt or other instruments carrying an equity related reward; or</p> <p>(b) — participate in management buy-outs or buy-in.</p> <p><u>Has the meaning given in CIR Rule 3.1.6</u></p>
Property Fund	<p>A Fund dedicated to investment in Real Property and Securities issued by Body Corporates whose main activities are investing in, dealing, developing or redeveloping Real Property.</p> <p><u>Has the meaning given in CIR Rule 3.17</u></p>
Public Fund	A Fund which falls within the meaning given under Article 46 <u>16(1)</u> of the Collective Investment Law 2006 <u>2010</u> . and meets the requirements for registration prescribed in chapter 14 of CIR.

Real Estate Investment Trust	<p>A Public Property Fund which is constituted as an Investment Company or as an Investment Trust in accordance with CIR 13.5.26(2).</p> <p><u>Has the meaning given in CIR Rule 3.1.8</u></p>
Service Provider	<p>For the purpose of CIR, a Person who is delegated an activity or outsourced a function by an Operator <u>Fund Manager</u> or Trustee under the terms of a Service Agreement, as described in chapter 7 of CIR.</p>
Short Form Prospectus	<p>In relation to a Private Fund a document containing the information prescribed under the Collective Investment Law 2006 <u>2010</u> and CIR Rules.</p>
Trust Deed	<p>A deed entered into by an Operator <u>Fund Manager</u> and the Trustee to create an Investment Trust.</p>
Umbrella Fund	<p>A Fund under which the contributions of the Unitholders in the Fund and the profits or income out of which payments are to be made to them are pooled separately in a number of Sub-Funds in relation to separate parts of the Fund Property.</p> <p><u>Has the meaning given in CIR Rule 3.1.10</u></p>