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# The DFSA Rulebook

Glossary Module

**(GLO)**

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**A B C D E F G H I J K L M N O P Q R S T U V W X Y Z****1 INTRODUCTION****1.1 Application**

**1.1.1** This module (GLO) applies to every Person to whom any module of the Rulebook applies.

**1.2 Defined Terms**

- 1.2.1** (1) In the Rulebook:
- (a) a word or phrase which is defined in this module is a defined term and has the meaning given in this module (GLO); and
  - (b) a word or phrase which relates to a defined term must be interpreted accordingly;
- (2) In the PIB module:
- (a) a word or phrase which is defined solely for the purposes of that module under PIB Rule 1.2.1 is also a defined term and has the meaning given in that module; and
  - (b) a word or phrase in the PIB module which relates to such a defined term must be interpreted accordingly.

**Guidance**

1. Defined terms are identified throughout the Rulebook by the capitalisation of the initial letter of a word or of each word in a phrase. Unless the context otherwise requires, where capitalisation of the initial letter or letters is not used, an expression has its natural meaning.
2. A word or phrase which appears with capitalisation of the initial letter, but is not itself defined should be read in the same sense as the expression to which it relates, for example 'Advice on Financial Products' is related to 'Advising on Financial Products', so the reader should refer to the definition of 'Advising on Financial Products' for its meaning.
3. Many of the defined expressions in GLO are used or defined in the relevant DIFC law or in legislation made under it. In these cases, GLO may refer to the statutory provision which is the source of the Rulebook definition. Where there is a short statutory definition, GLO sets out the definition in full. Where the statutory definition is long, GLO gives a summary of it, and states that it is a summary.
4. Each module of the Rulebook has a reference code of three letters, usually a contraction or abbreviation of its title (for example, COB stands for the Conduct of Business module). The meaning of each of these codes is given in GLO.
5. GEN section 6.2 provides further important guidance on interpreting words and phrases.

## 2 GLOSSARY

### A

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Defined Term	Definition
Accepting Deposits	Has the meaning given in GEN section 2.4.
Accounting Records	<p>Means records and underlying documents comprising initial and other accounting entries and associated supporting documents such as:</p> <ul style="list-style-type: none"> <li>(a) cheques;</li> <li>(b) records of electronic fund transfers;</li> <li>(c) invoices;</li> <li>(d) contracts;</li> <li>(e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries; and</li> <li>(f) work sheets and spread sheets supporting cost allocations, computations, reconciliations and disclosures.</li> </ul>
Acting as the Trustee of a Fund	Has the meaning given in GEN section 2.25.
Actuary	An individual who is a 'Fellow', or the holder of an equivalent qualification or rank, of a professional actuarial body that is a full member of the International Actuarial Association.
Adjusted Capital Resources	Capital resources calculated in accordance with PIN Rule A3.2.1.
Adjusted Cellular Capital Resources	Cellular capital resources calculated in accordance with PIN Rule A5.6.1.
Adjusted Fund Capital Resources	Fund capital resources calculated in accordance with PIN Rule A7.2.1.
Adjusted Non-Cellular Capital Resources	Non-cellular capital resources calculated in accordance with PIN Rule A5.2.1.
Advice	Advice of the type specified in GEN section 2.11 or 2.28.
Advising	Advising on Credit or Advising on Financial Products.

<b>Defined Term</b>	<b>Definition</b>
Advising on Credit	Has the meaning given in GEN Rule 2.28.1(1)(b).
Advising on Financial Products	Has the meaning given in GEN section 2.11.
Advisor	<p>In relation to a Fund, a Person who is retained by the Fund, its Eligible Custodian, a Person providing oversight or its Fund Manager 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>
AFN	The Applications, Forms and Notices module of the Sourcebook.
Alternative Trading System	A trading system or facility of a type specified under GEN 2.22.1.
AMI	The Authorised Market Institutions module of the Rulebook.
AML	Means either “anti-money laundering” or the Anti-Money Laundering, Counter-Terrorist Financing and Sanctions module depending on the context.
Annual Information Return	A return prepared by a Registered Auditor for submission to the DFSA in accordance with AUD Rule 4.8.
Annual Regulatory Return	An annual regulatory return of the type specified in PIN Rule A10.3.1.
Approved Asset	<p>(1) A certificate of deposit with a maximum term to maturity of six months issued by and held with an Eligible Bank;</p> <p>(2) a term deposit with an Eligible Bank with a remaining term to maturity of one year or less;</p> <p>(3) a negotiable debt instrument, with a remaining term to maturity of five years or less, where the instrument, or issuer thereof, is Rated at least AA- by Standard &amp; Poor’s, or the equivalent by another Rating Agency;</p> <p>(4) a repurchase agreement which is fully</p>

<b>Defined Term</b>	<b>Definition</b>
	<p>collateralised with negotiable debt instruments meeting the rating criterion in (3), and where the credit rating of the counterparty also meets the criteria; or</p> <p>a bond fund meeting the rating criterion in (3) and where the designated bank account for redeemed investment is the an Insurance Bank Account held by the Authorised Firm in accordance with the requirement of COB section 14.3.</p>
Approved Prospectus	Has the meaning given in MKT Rule 2.6.2(2), 2.7.1(4) and 6.3.2(2).
Approved Stock Exchange	A stock exchange designated as approved by a written notice from the DFSA, subject to any conditions that the DFSA may specify in that notice.
Arranging Credit and Advising on Credit	Has the meaning given in GEN section 2.28.
Arranging Credit	Has the meaning given in GEN Rule 2.28.1(1)(a).
Arranging Custody	Has the meaning given in GEN section 2.14.
Arranging Deals in Investments	Has the meaning given in GEN section 2.9.
Associate	<p>(1) In Chapters 7 and 11 of GEN and Chapter 8 of AML means, in respect of a Person 'A' holding Shares or entitled to exercise, or control the exercise of voting power, in an Authorised Firm or a Holding Company of an Authorised Firm:</p> <ul style="list-style-type: none"> <li>(a) the spouse of A;</li> <li>(b) a child or stepchild of A;</li> <li>(c) the trustee of any settlement, including any disposition or arrangement under which property is held on trust or subject to a comparable obligation, under which A has a life interest in possession;</li> <li>(d) an Undertaking of which A is a director;</li> <li>(e) a Person who is an Employee or partner of A;</li> <li>(f) where A is an Undertaking: <ul style="list-style-type: none"> <li>(i) a director of A;</li> </ul> </li> </ul>

<b>Defined Term</b>	<b>Definition</b>
	<ul style="list-style-type: none"> <li>(ii) a subsidiary or wholly owned subsidiary of A; or</li> <li>(iii) a director or Employee of such a subsidiary or wholly owned subsidiary; or</li> <li>(g) a Person who has an agreement or arrangement with A with respect to the acquisition, holding or disposal of Shares or other interests in the Authorised Firm or the Holding Company of an Authorised Firm or under which they undertake to act together in exercising their voting power in relation to an Authorised Firm or the Holding Company of an Authorised Firm or that other Person.</li> </ul> <p>(2) Except in Chapters 7 and 11 of GEN and Chapter 8 of AMI means in respect of a Person 'A', any Person, including an affiliated company which is:</p> <ul style="list-style-type: none"> <li>(a) an undertaking in the same Group as A; or</li> <li>(b) any other person whose business or domestic relationship with A or his Associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties.</li> </ul>
ATS	An Alternative Trading System.
ATS Operator	An Authorised Firm carrying on the Financial Service of Operating an Alternative Trading System for which it has authorisation under its Licence.
AUD	The Auditor module of the Rulebook.
Auditor	Has the meaning given in Article 97 of the Regulatory Law 2004.
Audit Principal	Has the meaning given in Article 97 of the Regulatory Law 2004.
Audit Services	Has the meaning given in Article 97 of the Regulatory Law 2004.
Authorised Firm	A Person, other than an Authorised Market Institution, who holds a Licence.
Authorised Individual	An individual who has been authorised by the DFSA to perform one or more Licensed Functions for an Authorised Firm.

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<b>Defined Term</b>	<b>Definition</b>
Authorised ISPV	An ISPV which holds a Licence to carry on either or both of the following Financial Services:  (a) Effect Contracts of Insurance; or  (b) Carry Out Contracts of Insurance
Authorised Market Institution	A Person who is Licensed by the DFSA in relation to the carrying on either or both of the Financial Services prescribed in GEN Rule 2.17.1 and 2.18.1.
Authorised Person	An Authorised Firm or an Authorised Market Institution.

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<b>Defined Term</b>	<b>Definition</b>
Bank	An Authorised Firm which holds a Licence authorising it to carry on the Financial Service of Accepting Deposits.
Base Capital Requirement	Has the meaning given in PIB section 3.6.
Bearer Share	A Share that cannot be registered in the name of the holder and proof of ownership is possession of the Share certificate.
Bid	Includes a Takeover transaction however effected, including a reverse Takeover, partial bid, and also a bid by a parent entity for Shares in its subsidiary.
Bidder	Includes, but is not limited to, companies wherever incorporated and individuals wherever resident who or which make a Bid under TKO.
Bid Document	Means a document issued by a Bidder containing information as stipulated under TKO (particularly Chapter 8) and posted in accordance with those Rules (particularly Chapter 11).
Bid Period	Means the period from the time when an announcement is made of a proposed or possible Bid (with or without terms) until the first closing date or, if this is later, the date when the Bid becomes or is declared unconditional as to acceptances or lapses. An announcement that a holding, or aggregate holdings, of Shares carrying 30% or more of the voting rights of a Reporting Entity is for sale or that the Governing Body of a Reporting Entity is seeking potential Bidders will be treated as the announcement of a possible Bid.
Board	In reference to the DFSA, the Governing Body of the DFSA, established under Chapter 2 of Part 2 of the Regulatory Law 2004.  In reference to a corporation, the Board of Directors of the corporation.
Body Corporate	Any body corporate, including limited liability partnership and a body corporate constituted under the law of a country or territory outside of the DIFC.
Branch	A place of business within the DIFC:  (a) which has no separate legal personality;



<b>Defined Term</b>	<b>Definition</b>
	(b) forms a legally dependent part of a Regulated Financial Institution whose principal place of business and head office is in a jurisdiction other than the DIFC; and  (c) which carries on Financial Services in or from the DIFC under a DFSA Licence.
Business Rules	The written rules of an Authorised Market Institution which govern its activities as an Authorised Market Institution.

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<b>Defined Term</b>	<b>Definition</b>
Capital Requirement	The amount of capital an Authorised Firm must hold, calculated in accordance with PIB sections 3.3, 3.4 or 3.5, as applicable.
Capital Resources	The total capital resources of an Authorised Firm calculated in accordance with PIB section 3.11.
Captive Insurer	A Captive Insurer means a:  (a) Class 1 Captive Insurer;  (b) Class 2 Captive Insurer; or  (c) Class 3 Captive Insurer.
Carrying Out Contracts of Insurance	Has the meaning given in GEN section 2.16.
Category	A prudential grouping of Authorised Firms which determines the application of the Rules in PIB.
CCP	Pursuant to GEN Rule 2.18.1(1)(a), a CCP is a Person who Operates a Clearing House by becoming a Central Counterparty.
Cell	A cell created by a Protected Cell Company for the purpose of segregating and protecting cellular assets in the manner provided by the DIFC Companies Regulations.
Cell Return	The return described in PIN Rule A10.2.4.
Cell Share Capital	Capital comprising of the proceeds of the issue of Cell Shares.
Cell Shares	Shares created and issued by a Protected Cell Company in respect of one of its cells.
Cellular Asset	The assets of the Protected Cell Company attributable to the Company's Cells.
Cellular Liabilities	Liabilities that may be settled by disposition of cellular assets.
Central Bank	The Central Bank of the U.A.E. or its equivalent in another country or territory.
Central Counterparty	Pursuant to GEN Rule 2.18.1(3), a Person operates as a Central Counterparty where it:

<b>Defined Term</b>	<b>Definition</b>
	(a) ensures the performance of open contracts relating to Investments, made on a facility for trading Investments; and  (b) does so by interposing between counterparties to such contracts by becoming the buyer to every seller, or the seller to every buyer.
Central Securities Depository	In relation to:  (a) an Authorised Firm, the meaning given to that term under GEN Rule 2.13.1(3); and  (b) in the case of an Authorised Market Institution, the meaning given to that term in GEN Rule 2.18.1(5).
Certificate	Has the meaning given in GEN Rule A2.2.1(d).
Charge	Any Fee or charge made to a Client in connection with Investment Business, whether levied by the Authorised Firm or any other Person, including a Mark-up or Mark-down.
Chief Executive (CEO)	The individual appointed to the office of Chief Executive of the DFSA by the Board.
Chinese Wall	An arrangement described in Article 63 of the Markets Law 2012.
CIR	The Collective Investment module of the Rulebook.
Class	In relation to a Contract of Insurance, the allocated insurance class as specified in GEN App4.
Class 1 Captive Cell	A Cell established by a Protected Cell Company to which are attributable assets and liabilities arising out of Insurance Business only in respect of risks related to arising out of the business or operations of members of a Group which together hold a majority of Cell Shares, including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.
Class 2 Captive Cell	A Cell established by a Protected Cell Company to which are attributable assets and liabilities arising out of Insurance Business, 80% of the Gross Written Premium in any year being attributable to risks related to or arising out of the business or operations of members of a Group which together hold a majority of the Cell Shares, including for this purpose only contracts of reinsurance

<b>Defined Term</b>	<b>Definition</b>
	in respect of such risks insured by the cedant.
Class 3 Captive Cell	<p>A Cell established by a Protected Cell Company:</p> <p>(a) to which are attributable assets and liabilities arising out of Insurance Business only in respect of risks related to or arising out of the business or operations of persons who engage in similar, related or common:</p> <ul style="list-style-type: none"> <li>(i) businesses;</li> <li>(ii) activities;</li> <li>(iii) trade;</li> <li>(iv) services; or</li> <li>(v) operations;</li> </ul> <p>including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant; and</p> <p>(b) owned by such Persons or by a Body Corporate of which all such Persons are members.</p>
Class 1 Captive Insurer	A DIFC Incorporated Insurer permitted under the conditions of its licence to effect or carry out Contracts of Insurance only in respect of risks related to or arising out of the business or operations of the Group, including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.
Class 2 Captive Insurer	A DIFC Incorporated Insurer required under the conditions of its licence to obtain at least 80 per cent of its Gross Written Premium in any year from Contracts of Insurance in respect of risks related to or arising out of the business or operations of the Group, including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.
Class 3 Captive Insurer	<p>A DIFC Incorporated Insurer which is:</p> <p>(a) permitted under the conditions of its licence to effect or carry out Contracts of Insurance only in respect of risks related to or arising out of the business or operations of persons who engage in similar, related or common:</p> <ul style="list-style-type: none"> <li>(i) businesses;</li> </ul>

<b>Defined Term</b>	<b>Definition</b>
	<ul style="list-style-type: none"> <li>(ii) activities;</li> <li>(iii) trade;</li> <li>(iv) services; or</li> <li>(v) operations;</li> </ul> <p>including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant, and</p> <ul style="list-style-type: none"> <li>(b) owned by such Persons or by a Body Corporate of which all such Persons are members.</li> </ul>
Class of Business	A classification of insurance contracts having similar characteristics, specified in GEN App4.
Clearing House	An Authorised Market Institution which is authorised under its Licence to carry on the Financial Service of Operating a Clearing House.
Client	A Retail Client, Professional Client or Market Counterparty as defined in COB chapter 2.
Client Account	<ul style="list-style-type: none"> <li>(1) In relation to Client Money, an account specified in COB Rule A5.4.1; and</li> <li>(2) in relation to a Safe Custody Investment an account specified in COB Rule A6.4.2.</li> </ul>
Client Agreement	An agreement that is made in accordance with the requirements of COB section 3.3
Client Assets	Client Money and Client Investments.
Client Investments	Has the meaning given in COB section 6.13.
Client Money	Has the meaning given in COB section 6.12.
Client Money Auditor's Report	A report referred to in GEN Rule 8.6.1(c).
Client Money Distribution Rules	The Rules under COB section A5.13.
Client Money Provisions	The provisions under COB App5.
Close Links	<p>A Person (Person A) has close links with a Person (Person B) if:</p> <ul style="list-style-type: none"> <li>(a) Person B:</li> </ul>

<b>Defined Term</b>	<b>Definition</b>
	<ul style="list-style-type: none"> <li>(i) is a Holding company of Person A;</li> <li>(ii) is a Subsidiary of Person A;</li> <li>(iii) is a Holding Company of the Subsidiary of Person A;</li> <li>(iv) is a Subsidiary of a Holding Company of Person A; or</li> <li>(v) owns and controls 20% or more of the voting rights or shares of Person A; or</li> </ul> <p>(b) Person A owns and controls 20% or more of the voting rights or shares of Person B.</p>
Close Out Netting	A process whereby the claims and obligations of two Counterparties are accelerated, netted to form a single net sum and become immediately due upon the default, bankruptcy, liquidation or other similar circumstance of either of the Counterparties.
Close Relative	<p>In relation to any individual:</p> <ul style="list-style-type: none"> <li>(a) his spouse;</li> <li>(b) his children and step-children, his parents and step-parents, his brothers and sisters and his step-brothers and step-sisters; and</li> <li>(c) the spouse of any individual within (b).</li> </ul>
Closely Related	Has the meaning given in PIB Rule A4.11.5.
CMC	The Code of Market Conduct module of the Sourcebook.
COB	The Conduct of Business module of the Rulebook.
Code of Ethics for Accountants and Audit Firms of Islamic Financial Institutions	The code of ethics issued by the Accounting and Auditing Organisation of Islamic Financial Institutions from time to time (AAOIFI).
Code of Ethics for Professional Accountants	The code of ethics for accountants as issued and amended from time to time by the International Ethics Standard Board for Accountants (IESBA) of IFAC.
Collateral	(1) In PIB, any form of asset, guarantee, or indemnity which is held or controlled by an Authorised Firm and is subject to a security interest or arrangement in favour of that firm; and

<b>Defined Term</b>	<b>Definition</b>
	(2) In COB, a Client Investment which has been paid for in full by a Client and which is held or controlled by the Authorised Firm under the terms of a deposit, pledge, charge or other security arrangement.
Collective Investment Fund	An arrangement which amounts to a Fund under Article 11 of the Collective Investment Law 2010 and which is not excluded under the Rules made under Article 12 set out under CIR section 2.1.
Commercial Paper	Debentures with a maturity of less than 2 years at the date of issue.
Commission	Any form of commission, including a benefit of any kind, offered or given in connection with Investment Business.
Commodities Risk Capital Requirement	A component of the Market Risk Capital Requirement to cover the risk of holding or taking positions in commodities, including precious metals, but excluding gold, calculated in accordance with PIB section 5.7.
Commodity Derivative	A Derivative over a commodity.
Complaint	Any oral or written expression of dissatisfaction from a Client to an Authorised Firm in connection with the provision of, or failure to provide, a Financial Service to the Client.
Compliance Officer	In relation to: <ul style="list-style-type: none"> <li>(a) an Authorised Firm, the Licensed Function described in GEN Rule 7.4.6; and</li> <li>(b) an Authorised Market Institution, the Key Individual function described in AMI Rule 5.3.6.</li> </ul>
Concentration Risk	The risk faced by an Authorised Firm arising out of its Large Exposures.
Connected	In relation to a Person (A), a Person which has or has at any relevant time had the following relationship to A: <ul style="list-style-type: none"> <li>(a) a member of A's Group;</li> <li>(b) a Controller of A;</li> <li>(c) a member of a partnership of which A is a member;</li> <li>(d) an employee or former employee of A;</li> <li>(e) if A is a company:</li> </ul>

Defined Term	Definition
	<ul style="list-style-type: none"> <li>(i) an officer or manager of A or of a parent of A;</li> <li>(ii) an agent of A or of a parent of A;</li> <li>(f) if A is a partnership is or has been a member, manager or agent of A; or</li> <li>(g) if A is an unincorporated association of persons which is not a partnership, is or has been an officer, manager or agent of A.</li> </ul>
Connected Counterparties	Has the meaning given in PIB Rule A4.11.7.
Connected Person	In relation to: <ul style="list-style-type: none"> <li>(a) a Reporting Entity other than that of a Listed Fund, a Person referred to in MKT Rule 4.3.2; and</li> <li>(b) a Reporting Entity of a Listed Fund, a Person referred to in MKT Rule 6.6.1.</li> </ul>
Constitution	In relation to a Fund: <ul style="list-style-type: none"> <li>(a) which is in the form of a Body Corporate, the instrument of incorporation;</li> <li>(b) which is in the form of a Trust, the trust deed;</li> <li>(c) which is in the form of a Partnership, the partnership deed; or</li> <li>(d) adopting a form other than one specified in (a) to (c), any instrument creating the legal form of the Fund to which the Fund Manager is a party setting out provisions relating to any aspect of the operation or management of the Fund.</li> </ul>
Contingent Liability Investment	A Derivative under the terms of which the Client will or may be liable to make further payments (other than Charges, and whether or not secured by margin) when the transaction falls to be completed or upon the earlier closing out of his position.
Contract of Insurance	Has the meaning given in GEN Rule A4.1.1.
Controller	(1) In relation to an Authorised Firm, a Person who, either alone or with any Associate fulfils the criteria specified in GEN Rule 11.8.2; or



<b>Defined Term</b>	<b>Definition</b>
	(2) in relation to an Authorised Market Institution a Person who, either alone or with any Associate fulfils the criteria specified in AMI Rule 8.1.2.
Convertible	An Investment that gives an investor the right to convert the Security into another form of Security at an agreed price or on an agreed basis.
Corporate Governance Principles	Principles prescribed in MKT Rules 3.2.3 – 3.2.9.
Correspondent Account	An account opened on behalf of a Correspondent Banking Client to receive deposits from, to make payments on behalf of or to otherwise handle financial Transactions for or on behalf of the Correspondent Banking Client.
Correspondent Bank	A bank in a jurisdiction other than the DIFC where an Authorised Firm opens a Correspondent Account.
Correspondent Banking Client	A Client of an Authorised Firm which uses the firm's correspondent banking services account to clear Transactions for its own customer base.
Counterparty	Means any person with or for whom an Authorised Firm carries on, or intends to carry on, any regulated business or associated business. In this context, a counterparty includes an individual, unincorporated body, company, government, local authority or other public body.
Counterparty Risk	The risk that an Authorised Firm's Counterparty does not perform its obligations under the terms of a contract.
Court	The DIFC Court.
Credit Default Product	A swap or Option, which has a payout linked to changes in an underlying Reference Asset's creditworthiness and protects the Protection Buyer against the risk of credit loss over a specified time period with the payout being conditional on some form of Credit Event.
Credit Derivatives	An over the counter financial Derivative instrument, which enables the isolation and separate transfer of Credit Risk and whose payout is linked to changes in the Reference Assets' creditworthiness.
Credit Event	An event related to the creditworthiness of Reference Assets or Reference Entities in a Credit Derivatives contract, which triggers the termination or a payout under the contract.
Credit Event Payment	The consideration, which the Protection Seller pays to the Protection Buyer under a Credit Derivatives contract

<b>Defined Term</b>	<b>Definition</b>
	upon occurrence of a Credit Event.
Credit Facility	Any facility which includes any arrangement or agreement which extends monetary credit whether funded or unfunded to a Person including but not limited to any loan or syndicated loan, mortgage, overdraft, financial lease, letter of credit, financial guarantee, trade finance, transaction finance, project finance, asset finance, or the financing, discounting or factoring of invoices.
Credit Rating	Has the meaning given to it in GEN Rule 2.27.1(2)(b).
Credit Rating Activities	Has the meaning given to it in GEN Rule 2.27.1(2)(a).
Credit Rating Agency	A Person carrying on in or from the DIFC the Financial Service of Operating a Credit Rating Agency for which it has an authorisation under its Licence.
Credit Risk	In relation to an Authorised Firm, the risk of loss if another party fails to perform on its financial obligation to the Authorised Firm.
Credit Risk Capital Requirement	The requirement calculated in accordance with PIB section 4.6.
Credit Spread Option	A type of contract where one Counterparty sells an Option to another Counterparty on a nominal amount of an asset swap on a specified Security, exercisable during a set period of time, in exchange for a payment of a premium where the Option gives the buyer the right to put the asset swap back to the seller at a strike spread over a pre-determined benchmark rate.
Credit-linked Note	A Security whose coupon payments are linked to the return on, and repayment of principal and is linked to the creditworthiness of, the Reference Assets.
Crowdfunding Loan Agreement	A loan agreement entered into using a Loan Crowdfunding Platform operated by a Crowdfunding Operator.
Crowdfunding Operator	A Person who is authorised under a Licence to Operate a Crowdfunding Platform.
Crowdfunding Platform	An Investment Crowdfunding Platform or a Loan Crowdfunding Platform.

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<b>Defined Term</b>	<b>Definition</b>
CSD	In relation to:  (a) an Authorised Firm, a Person who carries on the activity specified in GEN Rule 2.13.1(3);  (b) an Authorised Market Institution, a Person who carries on the activity specified in GEN Rule 2.18.1(5).
CTF	Means counter-terrorist financing.
Customer Due Diligence (CDD)	Has the meaning in AML Rule 7.3.1.

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<b>Defined Term</b>	<b>Definition</b>
Dealing in Investments as Agent	Has the meaning given in GEN section 2.8.
Dealing in Investments as Principal	Has the meaning given in GEN section 2.7.
Debenture	Has the meaning given in GEN Rule A2.2.1(b).
Decision Notice	a written notice given by the DFSA to a Person pursuant to paragraph 5 of Schedule 3 to the Regulatory Law 2004.
Default Rules	Rules of an Authorised Market Institution that set out procedures dealing with circumstances where a Member or other participant on its facilities is unable to meet its obligations in respect of one or more contracts.
Delegation Agreement	An agreement in writing entered into by an Fund Manager or Trustee with a Service Provider in relation to delegated activities, which fulfils the criteria in CIR App 1.
Delivery Versus Payment Transaction	A transaction in which the transfer of Investments and the payment of Money between the buyer and seller are intended to occur around the same time.
Deposit	Has the meaning given in GEN section A1.1.
Derivative	Has the meaning given in GEN Rule A2.1.3.
Designated Fund	A Foreign Fund which has been designated by the DFSA under Article 55 of the Collective Investment Law 2010 or, pursuant to Article 1(b) of that law, under Article 20 of the Collective Investment Law 2006.
Designated Non-Financial Business or Profession (DNFBP)	<p>Means:</p> <p>(1) The following class of Persons whose business or profession is carried on in or from the DIFC:</p> <ul style="list-style-type: none"> <li>(a) a real estate developer or agency which carries out transactions with a customer involving the buying or selling of real property;</li> <li>(b) a dealer in precious metals or precious stones;</li> <li>(c) deleted</li> <li>(d) a law firm, notary firm, or other</li> </ul>

<b>Defined Term</b>	<b>Definition</b>
	<p>independent legal business;</p> <p>(e) an accounting firm, audit firm or insolvency firm;</p> <p>(f) a company service provider; or</p> <p>(g) a Single Family Office.</p> <p>(2) A Person who is an Authorised Person or an Auditor is not a DNFBP.</p>
DFSA	The Dubai Financial Services Authority.
DIFC	The Dubai International Financial Centre.
DIFC Business Return	The return described in PIN Rule A10.2.6.
DIFC Business Risk Capital Requirement	The capital requirement calculated in accordance with PIN section A9.2.
DIFC Incorporated Insurer	An Insurer that is a Body Corporate incorporated under the DIFC Companies Law.
DIFC Registrar of Companies	The registrar of companies appointed pursuant to the DIFC Companies Law.
Direct Electronic Access	Has the meaning given in AMI Rule 5.7.3(3).
Direct Long-Term Insurance	Long-Term Insurance that is not reinsurance
Direct Long-Term Insurance Business	The business of Effecting Contracts of Insurance or Carrying Out Contracts of Insurance, where the Contracts of Insurance are contracts of Direct Long-Term Insurance
Director	<p>(1) In relation to an undertaking established under the DIFC Companies Law, a Person who appears on the Register of Directors maintained by the DIFC Registrar of Companies; and</p> <p>(2) In relation to all other undertakings, a Person who has been admitted to a register which has a corresponding meaning to the Register of Directors or performs the function of acting in the capacity of a Director, by whatever name called.</p>
Discretionary Portfolio Management Account	An account used by an Authorised Firm to manage the investment portfolio of a Client on a discretionary basis under the terms of a Discretionary Portfolio Management Agreement.
Discretionary Portfolio	An agreement under which an Authorised Firm agrees

<b>Defined Term</b>	<b>Definition</b>
Management Agreement	<p>with a Client to manage an investment portfolio for that particular Client in accordance with pre-agreed investment parameters in that agreement and where:</p> <ul style="list-style-type: none"> <li>(a) the Client's approval of any specific Transaction is not required before undertaking the Transaction; and</li> <li>(b) the assets of the Client are discretely held for that Client and no pooling of those assets occurs with the assets of any other Person, except purely for transactional purposes.</li> </ul>
Displaced Commercial Risk Capital Requirement (PSIACOM)	The requirement calculated in accordance with chapter 5 of the IFR Module.
Distribution Event	<p>A distribution event is:</p> <ul style="list-style-type: none"> <li>(a) the appointment of a liquidator, receiver or administrator, or trustee in bankruptcy, over the Authorised Firm or its Nominee Company;</li> <li>(b) the appointment of a liquidator, receiver or administrator, or trustee in bankruptcy, over a Third Party Agent of the Authorised Firm or its Nominee Company; or</li> <li>(c) the coming into force of a direction by the DFSA in respect of all Client Assets held by the Authorised Firm.</li> </ul>
Domestic Firm	<p>An Authorised Person or DNFBP which:</p> <ul style="list-style-type: none"> <li>(a) has its registered and head office in the DIFC; or</li> <li>(b) if it is a subsidiary of an Undertaking whose principal place of business and head office is in a jurisdiction other than the DIFC, has its registered office in the DIFC.</li> </ul>
Domestic Fund	A Fund established or domiciled in the DIFC.
Dubai Law	Law made by the Ruler, as applicable in the Emirate of Dubai.

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<b>Defined Term</b>	<b>Definition</b>
Effecting Contracts of Insurance	Has the meaning given in GEN section 2.15.
Eligible Bank	Means: <ul style="list-style-type: none"> <li>(a) a Bank;</li> <li>(b) a legal entity that is authorised to accept deposits and supervised by the Central Bank of the State; or</li> <li>(c) a legal entity that is: <ul style="list-style-type: none"> <li>(i) authorised to accept deposits and supervised by a Financial Services Regulator in a jurisdiction outside the State; and</li> <li>(ii) Rated at least A- by Standard &amp; Poor's, or the equivalent by another Rating Agency.</li> </ul> </li> </ul>
Eligible Custodian	Has the meaning given in CIR Rule 8.2.4
Eligible Security	A Share, Debenture, Certificate over a Share or Debenture, Warrant over a Share or Debenture or a Unit that is a share representing the rights or interests of a Unitholder in a Fund.
Employee	An individual: <ul style="list-style-type: none"> <li>(a) who is employed or appointed by a Person in connection with that Person's business, whether under a contract of service or for services or otherwise; or</li> <li>(b) whose services, under an arrangement between that Person and a third party, are placed at the disposal and under the control of that Person.</li> </ul>
Error Trade	In relation to an: <ul style="list-style-type: none"> <li>(a) Authorised Market Institution, has the meaning given in AMI Rule 6.6.1; and</li> <li>(b) Authorised Firm, has the meaning given in COB Rule 9.6.5(3)</li> </ul>
Exchange	An Authorised Market Institution which is authorised under its Licence to carry on the Financial Service of Operating an Exchange.

<b>Defined Term</b>	<b>Definition</b>
Execute	(In relation to a transaction) carry into effect or perform the transaction, whether as principal or as agent, including instructing another Person to execute the transaction.
Execution – Only Transaction	A Transaction executed by an Authorised Firm upon the specific instructions of a Client where the Authorised Firm does not give advice of the kind prescribed under GEN Rule 2.11.1 in relation to the Transaction and where, in the case only of Units, the Authorised Firm has not Offered those particular Units to that Person.
Exempt Communications	Communications referred to in MKT Rule 2.2.1.
Exempt Fund	Has the meaning given in Article 16(4) of the Collective Investment Law 2010.
Exempt Offers	Offers prescribed in MKT Rule 2.3.1.
Exempt Property Fund	A Property Fund that is also an Exempt Fund.
Exempt Securities	In the case of Securities other than Units, Securities prescribed in MKT Rule 2.4.1.  In the case of Units, those prescribed in Rule 6.3.3.
Expenditure Based Capital Minimum	A capital requirement calculated in accordance with PIB section 3.7.
Exposure	The maximum loss that an Authorised Firm (and, where applicable, its PSIA holders) might suffer as a result of the default or failure of a Counterparty, or a group of Closely Related Counterparties or an issuer or group of Closely Related issuers.
External Fund	Has the meaning given in Article 14 of the Collective Investment Law 2010.
External Fund Manager	Has the meaning given in Article 20(5) of the Collective Investment Law 2010.



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<b>Defined Term</b>	<b>Definition</b>
Family Entity	Has the meaning given to that term in the DIFC Single Family Office Regulations.
Family Fiduciary Structure	Has the meaning given to that term in the DIFC Single Family Office Regulations.
Family Member	Has the meaning given to that term in the DIFC Single Family Office Regulations.
Fee	Any payment offered or made by a Client to an Authorised Firm in connection with Investment Business or with any other business of the Authorised Firm, including (where applicable) any Mark-up or Mark-down.
Feeder Fund	Has the meaning given in CIR Rule 3.1.4
Finance Officer	In relation to:  (a) an Authorised Firm, the Licensed Function described in GEN Rule 7.4.5; and  (b) an Authorised Market Institution, the Key Individual function described in AMI Rule 5.3.5.
Financial Action Task Force (FATF)	An intergovernmental body responsible for developing and promoting policies to combat money laundering and terrorist financing.
Financial Group	A group of entities which includes an Authorised Firm and:  (a) any Parent incorporated in the DIFC;  (b) any Financial Institution subsidiaries (whether direct or indirect) of the Parent or Parents in (a) or of the Authorised Firm;  (c) any Financial Institution in which the Parent or Parents in (a), the Financial Institution subsidiaries in (b) or the Authorised Firm (whether direct or indirect) hold 20% or more of the voting rights or capital; and  (d) any entity which the DFSA directs the Authorised Firm to include in accordance with PIB Rule 8.1.2 or PIN Rule 8.1.2.
Financial Group Capital Adequacy Report	The Report referred to in PIN Rule 6.6.1.

<b>Defined Term</b>	<b>Definition</b>
Financial Group Capital Requirement	The Capital Requirement of a Financial Group calculated in accordance with PIB Rule 8.3.3 or PIN Rule 8.3.3.
Financial Group Capital Resources	The Capital Resources of a Financial Group calculated in accordance with PIB Rule 8.3.4 or PIN 8.3.4.
Financial Institution	A regulated or unregulated entity, whose activities are primarily financial in nature.
Financial Instrument	Any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.
Financial Markets Tribunal	the tribunal referred to in Article 26 of the Regulatory Law 2004.
Financial Promotion	Has the meaning given in Article 41A(3) of the Regulatory Law 2004.
Financial Promotions Prohibition	Has the meaning given in Article 41A(1) of the Regulatory Law 2004.
Financial Service	Has the meaning given in GEN Rule 2.2.1.
Financial Services Regulator	A regulator of financial service activities established in a jurisdiction other than the DIFC.
Financial Statement Auditor's Report	A report referred to in GEN Rule 8.6.1(a).
First to Default	In relation to 'First to Default' baskets, the situation when the entire Credit Derivative contract terminates following the first Credit Event on any of the Reference Assets or entities.
FMT	Financial Markets Tribunal.
Foreign Currency	The currency of any country or territory other than the currency in which the Authorised Firm, to whom the expression relates, reports.
Foreign Exchange Risk Capital Requirement	A component of the Market Risk Capital Requirement and as calculated in accordance with PIB section 5.6.
Foreign Fund	A Fund established or domiciled in a jurisdiction other than the DIFC.
Forward Price	A price calculated by reference to the valuation point next following the fund manager's agreement to sell or, as the case may be, to redeem the units in question.
Fund	A Collective Investment Fund.

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<b>Defined Term</b>	<b>Definition</b>
Fund Administrator	An Authorised Firm which is authorised under its Licence to Provide Fund Administration or a Person who is authorised or licensed by a Financial Service Regulator to provide such administration.
Fund Auditor's Report	A report referred to in CIR Rule 9.3.8(b).
Fund Manager	The Person, described under Article 20(4) of the Collective Investment Law 2010, 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.
Fund of Funds	Has the meaning given in CIR Rule 3.1.3
Fund Property	The property held for or within a Fund.
Fund Prospectus	Has the meaning given in MKT Rule 6.3.1(b).
Fund Return	The return described in PIN Rule A10.2.5.
Future	Has the meaning given in GEN Rule A2.3.1(b).

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<b>Defined Term</b>	<b>Definition</b>
GEN	The General module of the Rulebook.
General Insurance	Insurance other than Long-Term Insurance.
General Insurance Business	The business of Effecting Contracts of Insurance or Carrying Out Contracts of Insurance, where the Contracts of Insurance are contracts of General Insurance.
General Insurance Liabilities	Liabilities of an Insurer arising under or associated with contracts of General Insurance entered into by it, as insurer or cedant, including liabilities in respect of claims (whether or not incurred), acquisition costs and claims settlement costs.
GLO	The Glossary module of the Rulebook.
Global Return	The return described in PIN Rule A10.2.3.
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> <ul style="list-style-type: none"> <li>(a) its Fund Manager, a member of its main or supervisory board, a General Partner; or</li> <li>(b) any other Person or body of Persons exercising equivalent powers and functions in relation to directing the operation of the Fund.</li> </ul> <p>(3) In AML, has the meaning in Rule 3.2.1.</p>

<b>Defined Term</b>	<b>Definition</b>
Government and Public Securities	<p>(1) Securities that are loan stock, bonds or other instruments creating or acknowledging indebtedness, issued by or on behalf of an Exempt Offeror or a subdivision thereof or a local or other public authority of any country or jurisdiction which is an Exempt Offeror.</p> <p>(2) There are excluded from the Securities specified in (1) so far as applicable:</p> <ul style="list-style-type: none"> <li>(a) an instrument creating or acknowledging indebtedness for, or for money borrowed to defray, the consideration payable under a contract for the supply of goods or services;</li> <li>(b) a cheque or other bill of exchange, a banker's draft or a letter of credit (but not a bill of exchange accepted by a banker);</li> <li>(c) a banknote, a statement showing a balance on a bank account, or a lease or other disposition of property; and</li> <li>(d) a Contract of Insurance.</li> </ul>
Gross Outstanding Claims	In relation to an Insurer as at a date, the amount of the Insurer's provision for claims incurred but not yet paid as at that date, including claims incurred but not yet reported and provision for direct and indirect claims settlement expenses in respect of those claims.
Gross Written Premium	<p>(1) In relation to a Contract of Insurance, the amount of premium payable by the insured in respect of that contract, excluding any excise taxes levied on premiums and receivable by the Insurer but without any deduction for commissions or other acquisition expenses; and</p> <p>(2) in relation to an Insurer during a period:</p> <ul style="list-style-type: none"> <li>(a) in respect of General Insurance, the aggregate amount of Gross Written Premium in respect of insurance and reinsurance contracts entered into by the Insurer as insurer during that period, together with any adjustments arising in that period in respect of contracts effected in previous periods; and</li> <li>(b) in respect of Long-Term Insurance, the aggregate amount of Gross Written</li> </ul>

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<b>Defined Term</b>	<b>Definition</b>
	Premium becoming due for payment in that period.
Group	(1) Means a group of entities which includes an entity (the 'first entity') and:  (a) any Parent of the first entity; and  (b) any Subsidiary of the first entity or of any Parent of the first entity.  (2) In AML, has the meaning in Rule 3.2.1.
Group Risk	The risk of loss to the Authorised Firm as a result of its membership of, or linkages within a Group.
Guidance	Has the meaning given in Article 2 of Schedule 1 to the Regulatory Law 2004.

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<b>Defined Term</b>	<b>Definition</b>
Hedge Fund	Has the meaning given in CIR Rule 3.1.9
Historic Price	A price calculated by reference to the valuation point immediately preceding the fund manager's agreement to sell or, as the case may be, to redeem the units in question.
Holding Company	Has the meaning given in Schedule 1 to the DIFC Companies Law and, without limiting the generality of that definition, is taken to include, in relation to a relevant Body Corporate (the Subsidiary), the Subsidiary's ultimate Holding Company and any Holding Company between the Subsidiary and the Subsidiary's ultimate Holding Company.

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<b>Defined Term</b>	<b>Definition</b>
IFAC	The International Federation of Accountants.
IFRS for Small and Medium Sized Enterprises	The International Financial Reporting Standards for small and medium sized enterprises as issued and amended from time to time by the International Accounting Standards Board.
Independent Valuer	A Person who carries on the business or profession of valuing Real Property and who meets the criteria set out under CIR Rule 13.4.19.
Inside Information	Information specified in Article 63(1)(a) of the Markets Law 2012.
Insider	A Person specified in Article 63(1)(b) of the Markets Law 2012.
Instrument	Means, in relation to a Derivative, any Investment, asset or thing on which the value of the Derivative may be based.
Insurance Agent	A Person who acts as an agent of one or more insurers.
Insurance Aggregation Site	A website or other form of electronic media that provides a facility by means of which a Person can: <ul style="list-style-type: none"> <li>(a) search for a Contract of Insurance according to selected criteria;</li> <li>(b) identify, obtain a quote for, compare, or obtain a list ranking one or more Contracts of Insurance in response to the search; and</li> <li>(c) conclude, directly or indirectly, a Contract of Insurance.</li> </ul>
Insurance Bank Account	A bank account with an Eligible Bank which has been opened by an Insurance Intermediary or Insurance Manager in accordance with COB Rule 7.12.5.
Insurance Broker	A Person who acts as an agent of a Policyholder in relation to a Contract of Insurance.
Insurance Business	The business of Effecting Contracts of Insurance or Carrying Out Contracts of Insurance, including effecting or carrying out contracts of reinsurance (as reinsurer).
Insurance Fund	In relation to a Takaful Insurer, the aggregate of the assets and liabilities of the Insurer that are attributed to the Takaful transactions of the Insurer and the amount of



<b>Defined Term</b>	<b>Definition</b>
	any assets designated by the Insurer as a capital transfer to the insurance fund; and includes the amount of any profit, surplus or return (however called or described), less attributable expenses, arising on the investment of such funds.
Insurance Intermediary	An Authorised Firm whose Licence authorises it to carry on the Financial Service of Insurance Intermediation.
Insurance Intermediation	Has the meaning given in GEN section 2.19.
Insurance Liabilities	General Insurance liabilities and Long-Term Insurance liabilities.
Insurance Management	Has the meaning given in GEN section 2.20.
Insurance Manager	An Authorised Firm whose Licence authorises it to carry on the Financial Service of Insurance Management.
Insurance Monies	Has the meaning given in COB Rule 7.12.2.
Insurance Monies Auditor's Report	A report referred to in GEN Rule 8.6.1(d).
Insurance Special Purpose Vehicle	An insurer which: <ul style="list-style-type: none"> <li>(a) assumes risks by way of reinsurance; and</li> <li>(b) is required to fully fund its exposures to those risks through the proceeds of a debt issuance or some other financing arrangement where the repayment obligations under those arrangements are subordinated to the insurer's reinsurance obligations.</li> </ul>
Insurer	A Person carrying on in the DIFC either or both of the following Financial Services for which it has authorisation under its Licence: <ul style="list-style-type: none"> <li>(a) Effecting Contracts of Insurance; or</li> <li>(b) Carrying Out Contracts of Insurance.</li> </ul>
Internal Auditor	The Key Individual function described in AMI Rule 5.3.9.
International Financial Reporting Standards (IFRS)	The International Financial Reporting Standards as issued and amended from time to time by the International Accounting Standards Board.
International Standards on Assurance Engagement	The international standards on assurance engagement as issued and amended from time to time by the

<b>Defined Term</b>	<b>Definition</b>
	International Auditing and Assurance Standards Board (IAASB) of IFAC.
International Standards on Auditing	The international standards on auditing as issued and amended from time to time by the International Auditing and Assurance Standards Board (IAASB) of IFAC.
International Standards on Quality Control	The international standards on quality control as issued and amended from time to time by the International Auditing and Assurance Standards Board (IAASB) of IFAC.
International Standards on Related Services	The international standards on related services as issued and amended from time to time by the International Auditing and Assurance Standards Board (IAASB) of IFAC.
Invested Assets	Any asset, right or interest of an Insurer that is held by the Insurer for the primary purpose of generating revenues or for directly providing funds to meet the Insurer's cash outflows in the future.
Investment	Has the meaning given in GEN section A2.1.
Investment Analyst	An Employee of an Authorised Firm who prepares Investment Research.
Investment Business	<p>The business of:</p> <ul style="list-style-type: none"> <li>(a) Dealing in Investments as Principal;</li> <li>(b) Dealing in Investments as Agent;</li> <li>(c) Arranging Deals in Investments;</li> <li>(d) Managing Assets;</li> <li>(e) Advising on Financial Products;</li> <li>(f) Managing a Collective Investment Fund;</li> <li>(g) Providing Custody;</li> <li>(h) Arranging Custody;</li> <li>(i) Managing a Profit Sharing Investment Account;</li> <li>(j) Operating an Alternative Trading System;</li> <li>(k) Acting as the Trustee of a Fund; or</li> <li>(l) Arranging Credit and Advising on Credit.</li> </ul>

<b>Defined Term</b>	<b>Definition</b>
Investment Company	An open or closed ended company established for the sole purpose of collective investment which is incorporated under of the DIFC Companies Law in accordance with the Regulations made under that Law.
Investment Crowdfunding	Has the meaning given in GEN Rules 2.29.1(4) and (5).
Investment Crowdfunding Operator	A Person who is authorised under a Licence to Operate an Investment Crowdfunding Platform.
Investment Crowdfunding Platform	An electronic platform or a facility referred to in GEN Rule 2.29.1(4) or (5).
Investment Manager	A Person who, acting only on behalf of a Client: <ul style="list-style-type: none"> <li>(a) manages Investments in an account or portfolio on a discretionary basis under the terms of a discretionary management agreement; or</li> <li>(b) manages Investments in an account or portfolio on a non-discretionary basis under the terms of a non-discretionary management agreement.</li> </ul>
Investment Partnership	A limited partnership established for the sole purpose of collective investment which is formed and registered under the Limited Partnership Law 2006 in accordance with the Regulations made under that Law.
Investment Research	A publication which contains: <ul style="list-style-type: none"> <li>(a) the results of research into Investments;</li> <li>(b) analysis of factors likely to influence the future performance of Investments; or</li> <li>(c) advice or recommendations based on those results or analysis.</li> </ul>
Investment Risk Reserve	Represents the amount that is appropriated out of the income of investment account holders, after allocating the Mudarib's share, in order to meet future losses attributable to investment account holders.
Investment Trust	An express trust created solely for collective investment purposes under the Investment Trust Law 2006.
Investment Undertaking	An Investment Company, Investment Partnership, or Investment Trust which is used as the investment vehicle for a Fund.
Investment-Linked Insurance	Contracts of Insurance where the benefits are wholly or partly to be determined by reference to the value of, or the income from, property of any description (whether or not specified in the contracts) or by reference to

<b>Defined Term</b>	<b>Definition</b>
	fluctuations in, or in an index of, the value of property of any description (whether or not so specified).
IOSCO	The International Organisation of Securities Commissions.
IFR	The Islamic Finance Rules module of the Rulebook.
Islamic Accounting and Auditing Standards	The auditing and accounting standards issued by the Accounting and Auditing Organisation of Islamic Financial Institutions (AAOIFI).
Islamic Contract	Any contract designed to comply with Shari'a.
Islamic Financial Business	Any part of the financial business of an Authorised Person which is carried out in accordance with Shari'a.
Islamic Financial Institution	An Authorised Person which has, on its Licence, an endorsement authorising it to conduct its entire financial business in accordance with Sharia'a.
Islamic Fund	Has the meaning given in CIR Rule 3.1.2
Islamic Securities	Any Security Offered, or held out expressly or implicitly, as Islamic or Shari'a compliant.
Islamic Window	That part of an Authorised Person, other than an Islamic Financial Institution, which conducts Islamic Financial Business.
ISPV	Insurance Special Purpose Vehicle
Issuer	<ol style="list-style-type: none"> <li>(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;</li> <li>(2) (in relation to a Unit in a Collective Investment Fund) the Fund Manager;</li> <li>(3) (in relation to an interest in a limited Partnership) the Partnership; and</li> <li>(4) (in relation to Certificates) the Person who issued or is to issue the Security to which the Certificate or other instrument relates.</li> </ol>

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<b>Defined Term</b>	<b>Definition</b>
Joint Forum	The Basel Committee on Banking Supervision (BCBS), the International Organization of Securities Commissions (IOSCO) and the International Association of Insurance Supervisors (IAIS).

## K

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<b>Defined Term</b>	<b>Definition</b>
Key Individual	An individual who has been authorised by the DFSA to perform one or more Licensed Functions for an Authorised Market Institution.
Key Information	Information prescribed in MKT Rule in 2.5.2(1)(b).

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<b>Defined Term</b>	<b>Definition</b>
Large Exposure	An Exposure, whether in an Authorised Firm's Non-Trading Book or Trading Book, or both, to a Counterparty or Group of Closely Related Counterparties or a Group of Counterparties connected to the Authorised Firm which in aggregate equals or exceeds 10% of the Authorised Firm's Capital Resources.
Licence	A Licence granted by the DFSA under Chapter 2 of Part 3 of the Regulatory Law 2004.
Licensed Director	The Licensed Function described in GEN Rule 7.4.3.
Licence Endorsement	an endorsement made by the DFSA on a Licence that permits an Authorised Person to carry on an activity prescribed under Article 44 of the Regulatory Law 2004.
Licensed Function	(1) in relation to an Authorised Firm, a function described in GEN section 7.4; and  (2) in relation to an Authorised Market Institution, a function described in AMI section 5.3.
Licensed Partner	The Licensed Function described in GEN Rule 7.4.4.
Licensing Requirements	The requirements set out in AMI section 7.2 in relation to the granting of a Licence to an Authorised Market Institution.
Limited Liability Partnership	A partnership incorporated under the Limited Liability Partnership Law 2004 or under the law of a country or territory outside the DIFC.
Liquidity Risk	The risk of loss to an Authorised Firm as a result of inability to meet its obligations as they fall due.
List	The Official List of Securities.
Listed Entity	Has the meaning given in MKT Rule 9.1.1(2).
Listed Fund	A Collective Investment Fund which has been admitted to the Official List of Securities.
Listed Securities	Any Securities which have been admitted to the Official List of Securities.
Listing Principles	Means the Rules in MKT section 9.2.

<b>Defined Term</b>	<b>Definition</b>
Listing Rules	The Rules in chapter 9 of MKT.
Lloyd's	The society established in the United Kingdom and known as Lloyd's.
Lloyd's Underwriter	An underwriting member of Lloyds.
Loan Crowdfunding	Has the meaning given in GEN Rules 2.29.1(2) and (3).
Loan Crowdfunding Operator	A Person who is authorised under a Licence to Operate a Loan Crowdfunding Platform.
Loan Crowdfunding Platform	An electronic platform or a facility referred to in GEN Rule 2.29.1(2) or (3).
Local Authorities	Government or municipal authorities, which do not operate at a national level.
Long-Term Insurance	<p>A Contract of Insurance of a type specified in GEN Rule A4.1.2, expressed to be in force for more than one year, where under the terms of the contract any of the following conditions exists:</p> <ol style="list-style-type: none"> <li>(1) the payment of the whole or part of the benefits is dependent upon the termination or continuation of human life;</li> <li>(2) the payment of any part of the premiums is dependent upon the termination or continuation of human life;</li> <li>(3) the benefits under the contract include payment of a sum on marriage or on the birth of a child; or</li> <li>(4) the contract is a permanent health insurance contract.</li> </ol>
Long-Term Insurance Business	The business of Effecting Contracts of Insurance or Carrying Out Contracts of Insurance, where the Contracts of Insurance are contracts of Long-Term Insurance.
Long-Term Insurance Fund	A fund in respect of Long-Term Insurance Business established and maintained in accordance with PIN chapter 3.
Long-Term Insurance Liabilities	Liabilities of an Insurer arising under or associated with contracts of Long-Term Insurance, entered into by it as insurer or cedant, including liabilities of the kinds referred to in PIN Rules 5.6.6 and 5.6.7.

## M

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Defined Term	Definition
Major Acquisition	Has the meaning given in GEN Rule 11.10.8(3).
Managing Assets	Has the meaning given in GEN section 2.10.
Managing a Collective Investment Fund	Has the meaning given in GEN section 2.12.
Managing a Profit Sharing Investment Account	Has the meaning given in GEN section 2.21.
Managing a PSIA	Managing a Profit Sharing Investment Account.
Market Abuse	Conduct which contravenes a provision contained in chapter 1 of Part 6 of the Markets Law 2012.
Market Counterparty	A Client specified under COB Rule 2.3.9.
Market Maker	In relation to an Investment, a Person who holds himself out as able and willing to enter into transactions of sale and purchase in Investments of that description at prices determined by him generally and continuously rather than in respect of each particular transaction.
Market Price	The price at which the Shares are being traded on an Authorised Market Institution.
Market Risk	The risk of loss that arises from fluctuations in the values of, or income from, assets or in interest or exchange rates.
Market Risk Capital Requirement	The requirement calculated in accordance with PIB Rule 5.3.1.
Markets Law	The Markets Law 2012
Markets Rules	Rules prescribed in the Market Rules Module of the DFSA Rulebook.
Mark-up or Mark-down	<p>(1) When an Authorised Firm receives instructions from a Client and takes a principal position in the relevant Investment in order to complete a transaction, that is, when the Authorised Firm takes a principal position in the relevant Investment which it would not otherwise take, except to complete that transaction, the difference, if any, between:</p> <p style="padding-left: 40px;">(a) the price at which the Authorised Firm takes a principal position in the relevant Investment; and</p>



<b>Defined Term</b>	<b>Definition</b>
	<p>(b) the price at which the Authorised Firm Executes the transaction with its Client; or</p> <p>(2) When an Authorised Firm Executes a transaction with its Client against its own book and owes a duty of best execution, the difference between:</p> <p>(a) the price at which best execution would be achieved; and</p> <p>(b) the price at which the Authorised Firm Executes the transaction with its Client.</p>
Master Fund	Has the meaning given in CIR Rule 3.1.5
Maturity Mismatch	A difference between the maturity of an asset and the corresponding liability.
Member	A Person admitted as a member of an Authorised Market Institution in accordance with its Business Rules.
Minimum Capital Requirement	The requirement calculated in accordance with PIN Rule A4.2.1.
Minimum Cellular Capital Requirement	The Minimum Segmental Capital Requirement in respect of a cell.
Minimum Fund Capital Requirement	The requirement calculated in accordance with PIN Rule A8.2.1.
Minimum Non-Cellular Capital Requirement	The Minimum Segmental Capital Requirement in respect of that part of a protected cell company that is not a cell.
Minimum Segmental Capital Requirement	The requirement calculated in accordance with PIN section A6.2.
MKT	The Markets module of the Rulebook.
Money	Any form of money, including cheques and other payable orders.
Money Laundering Reporting Officer (MLRO)	<p>(1) For the purposes of AMI, the Key Individual function described in AMI Rule 5.3.8.</p> <p>(2) For the purposes of an Authorised Firm other than a Credit Rating Agency, the Licensed Function described in GEN Rule 7.4.8.</p> <p>(3) For all other purposes, has the meaning in AML Rule 3.2.1.</p>

<b>Defined Term</b>	<b>Definition</b>
Money Market Fund	Has the meaning given in CIR Rule 3.1.11.
MTF	A Multilateral Trading Facility.
Multilateral Development Bank	Any one of the following banks: <ul style="list-style-type: none"> <li>(a) African Development Bank (AfDB);</li> <li>(b) Asian Development Bank (ASB);</li> <li>(c) Caribbean Development Bank (CDB);</li> <li>(d) Council of Europe Development Bank;</li> <li>(e) European Bank for Reconstruction and Development (EBRD);</li> <li>(f) European Investment Bank (EIB);</li> <li>(g) European Investment Fund (EIF);</li> <li>(h) Inter-American Development Bank (IADB);</li> <li>(i) Inter-American Investment Corporation (IAIC);</li> <li>(j) International Bank for Reconstruction and Development (IBRD);</li> <li>(k) International Finance Corporation (IFC); or</li> <li>(l) Nordic Investment Bank (NIB).</li> </ul>
Multilateral Trading Facility	Pursuant to GEN Rule 2.22.1(a), a system which brings together multiple third party buying and selling interests in Investments, in accordance with its non-discretionary rules, in a way that results in a contract in respect of such Investments.

## N

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<b>Defined Term</b>	<b>Definition</b>
Net Outstanding Claims	In respect of an Insurer as at a date, Gross Outstanding Claims of the Insurer as at that date, less the amount of reinsurance and other recoveries expected to be received in respect of those claims.
Net Written Premium	In respect of an Insurer during a period, Gross Written Premium of the Insurer during that period less the amount of premium on reinsurance contracts entered into by the Insurer as cedant during the same period.
Netting by Novation	The process of automatically amalgamating some or all claims and obligations between two Counterparties to create a single new claim or obligation replacing the relevant former claims or obligations.
Nominee Company	A company incorporated in the DIFC whose business consists solely of acting as a holder of Client Assets where such assets are held by the Nominee Company as agent of an Authorised Firm.
Non-Cellular Assets	Assets of a Protected Cell Company which are not Cellular Assets.
Non-Cellular Liabilities	Liabilities that may not be settled by disposition of cellular assets.
Non-DIFC insurer	A Person, other than an Insurer, who is authorised and supervised as an insurer by a Financial Services Regulator.
Non-Performing	<p>(1) In the case of loans and other financial instruments to which an Authorised Firm is exposed, having either of the following qualities:</p> <ul style="list-style-type: none"> <li>(a) Contractual payments of interest or principal are 90 days or more past the date on which they were due and payable, and the current value of any security held in respect of the loan or other financial instrument is insufficient, after making allowance for expenses of realisation, to meet the total amount of principal and accrued interest; or</li> <li>(b) having an enhanced risk of default, assessed on the basis of reasonable criteria.</li> </ul> <p>(2) In regard to (1)(a), if a loan or other financial instrument has a regular payment schedule, the loan or other instrument is 90 days past due when</p>

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<b>Defined Term</b>	<b>Definition</b>
	90 calendar days have elapsed since the due date of a contractual payment that has not been met in full; and the total amount that is due but has not yet been paid is equivalent to at least 90 days' worth of contractual payments.
Non-Trading Book	Describes positions, exposures and on-and off-balance sheet items, which are not in the Trading Book.
Notice of Objection	A notice filed by a Person who has received a Notice of Administrative Censure or a Notice of Administrative Fine who objects to the imposition of the censure or fine as the case may be.

## O

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<b>Defined Term</b>	<b>Definition</b>
Offer	<p>(1) In relation to Securities other than Units, an offer of Securities falling within Article 12 of the Markets Law 2012.</p> <p>(2) In relation to Units, an offer of Units falling within Article 19 of the Collective Investment Law 2010.</p>
Offer of Securities to the Public	Has the meaning given in Article 12 of the Markets Law 2012.
Offer Period	The period during which an Offer of Securities to the Public made pursuant to a Prospectus remains open to investors.
Offer Price	The price at which the Shares were offered and accepted under the offer document. In the event that an auction process was used to determine the offer price, then that price is the offer price.
Offeree	A Person to whom an Offer of Securities is made.
Offeror	A Person who makes an Offer of Securities.
Official List of Securities	A list of Securities maintained by the DFSA in accordance with the Markets Law 2012.
Operating a Clearing House	Has the meaning given in GEN section 2.18.
Operating a Crowdfunding Platform	Has the meaning given in GEN Rule 2.29.1.
Operating a Loan Crowdfunding Platform	Has the meaning given in GEN Rules 2.29.1(2) and (3).
Operating an Alternative Trading System	Has the meaning given in GEN section 2.22.
Operating an Exchange	Has the meaning given in GEN section 2.17.
Operating an Investment Crowdfunding Platform	Has the meaning given in GEN Rules 2.29.1(4) and (5).
Option	Has the meaning given in GEN Rule A2.3.1(a).
Organised Trading Facility	Pursuant to GEN Rule 2.22.1(b), a system which brings together multiple third party buying and selling interests in Investments, in accordance with its discretionary rules, in a way that results in a contract in respect of such Investments.

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<b>Defined Term</b>	<b>Definition</b>
OTF	An Organised Trading Facility.
Outsourcing Agreement	An agreement in writing entered into by an Fund Manager or Trustee with a Service Provider in relation to outsourced functions, which fulfils the criteria in CIR App 1.
Own Account Transaction	A transaction Executed by the Authorised Firm for its own benefit or for the benefit of its Associate.
Owner's Equity	In relation to a Takaful Insurer, the amount of the assets, less the liabilities, of the Insurer that are not attributed to the insurance fund of the Insurer.

## P

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<b>Defined Term</b>	<b>Definition</b>
Parent	A Holding Company.
Partner	In relation to an Undertaking which is a Partnership, a Person occupying the position of a partner, by whatever name called.
Partnership	Any partnership, including a partnership constituted under the law of a country or territory outside the DIFC, but not including a Limited Liability Partnership.
Permanent Health Insurance	Has the meaning given in GEN Rule A4.1.2(d).
Permanent Share Capital	Ordinary paid-up share capital or similar shareholders' or members' equity, including retained earnings, however called.
Person	A Person includes any natural person, Body Corporate or body unincorporated, including a legal person, company, Partnership, unincorporated association, government or state.
Personal Account Transaction	A transaction undertaken by an Employee of an Authorised Firm in a Investment, other than: <ul style="list-style-type: none"> <li>(a) a transaction in a government and public Security;</li> <li>(b) a transaction in a life policy; or</li> <li>(c) a discretionary transaction if there is no prior communication with the Employee and the discretion is not exercised by the Authorised Firm.</li> </ul>
Persons Undertaking Key Control Functions	Persons undertaking compliance, risk management, internal audit and similar control functions.
PIB	The Prudential - Investment, Insurance Intermediation and Banking module of the Rulebook.
PIN	The Prudential – Insurance Business module of the Rulebook.
Policyholder	Includes a potential policyholder.
Policy Benefit	An amount payable under an insurance contract as a result of the occurrence of an event insured under the contract.

<b>Defined Term</b>	<b>Definition</b>
Politically Exposed Person (PEP)	Means a natural person (and includes, where relevant, a family member or close associate) who is or has been entrusted with a prominent public function, including but not limited to, a head of state or of government, senior politician, senior government, judicial or military official, ambassador, senior executive of a state owned corporation, or an important political party official, but not middle ranking or more junior individuals in these categories.
Practice Note	Guidelines issued from time to time by the DFSA to assist a Registered Auditor in applying a relevant standard.
Preliminary Notice	a written notice given by the DFSA to a Person pursuant to paragraph 4(1) of Schedule 3 to the Regulatory Law 2004.
Premium Liability	The liability referred to in PIN Rule 5.4.7.
Price Sensitive Information	Information of a type which is liable to cause substantial movement in the price of Securities or (in the case of Debentures) to affect significantly the ability of the Issuer to meet its commitments.
Price Stabilisation	The activity of stabilising the price of an Eligible Security in the manner described in the PRS Module.
Principal Representative	An individual designated by a Representative Office in accordance with REP.
Principle	<p>(1) In relation to an Authorised Firm or Authorised Individual, a principle prescribed in GEN chapter 4.</p> <p>(2) In relation to an Audit Principal, a principle prescribed in AUD section 2.6.</p>
Private Equity Fund	Has the meaning given in CIR Rule 3.1.6
Private Placement	<p>An Offer made to a Person who is likely to be interested in the Offer having regard to:</p> <p>(i) previous contact between the Person making the Offer and that Person;</p> <p>(ii) a professional or other connection between the Person making the Offer and that Person; or</p> <p>(iii) statements or actions by that Person that indicate that he is interested in Offers of that</p>



<b>Defined Term</b>	<b>Definition</b>
	kind.
Private Trust Company	<p>Means a body corporate the purpose of which is solely to provide trust business services in respect of a specific trust or trusts:</p> <p>(a) of which a Family Member of a Single Family or a Family Entity related to a Single Family is the settlor; and</p> <p>(b) the beneficiaries are all:</p> <p>(i) charities; or</p> <p>(ii) Family Members, Family Entities, or Family Fiduciary Structures of that Single Family.</p>
Privileged Communication	A privilege arising from the provision of professional legal advice and any other like privilege properly applicable at law to the communication in question, but does not include a general duty of confidentiality.
Professional Client	A Client specified under COB Rule 2.3.3.
Profit Equalisation Reserve	Represents the amount appropriated out of the Mudaraba income, before allocating the Mudarib's share, in order to maintain a certain level of investment returns for investment account holders and to increase owners' equity.
Profit Sharing Investment Account (PSIA)	<p>An account or portfolio managed:</p> <p>(a) in relation to property of any kind, including the currency of any country or territory, held for or within the account or portfolio;</p> <p>(b) in accordance with Shari'a and held out as such; and</p> <p>(c) under the term of an agreement whereby:</p> <p>(i) the investor agrees to share any profit with the manager of the account or portfolio in accordance with a predetermined specified percentage or ratio; and</p> <p>(ii) the investor agrees that he alone will bear any losses in the absence of negligence or breach of contract on the part of the manager.</p>
Property	Has the meaning given in Articles (1) and (2) of the U.A.E. Federal Law No.4 of 2002.

<b>Defined Term</b>	<b>Definition</b>
Property Fund	Has the meaning given in CIR Rule 3.1.7
Property Related Assets	Assets which are Shares, Debentures or Warrants which are issued by a Body Corporate, a substantial activity of which relates to investment in Real Property and Certificates which confer rights in respect of such Investments.
Prospectus	<p>(1) In relation to an Offer of Securities to the Public, a document containing the information specified in Article 15 of the Markets Law 2012 and the MKT Rules, and includes a Supplementary Prospectus.</p> <p>(2) In relation to a Fund, a document containing the information prescribed under the Collective Investment Law 2010 and the CIR Rules, including a Short Form Prospectus or Supplementary Prospectus.</p>
Prospectus Offer	An Offer of Securities referred to in Article 14(4)(a) of the Markets Law 2012.
Protected Cell Company	A company incorporated as, or converted into, a Protected Cell Company in accordance with the provisions of the Regulations made under DIFC the Companies Law.
Protection Buyer	The Counterparty to a Credit Derivative contract that wishes to reduce the exposure to Credit Risk by protecting itself from potential loss suffered as a result of deterioration in the creditworthiness of the reference assets.
Protection Seller	The Counterparty to a Credit Derivative contract that wishes to take on Credit Risk arises from potential loss suffered as a result of deterioration in the creditworthiness of the reference assets in return for compensation from the Protection Buyer.
Providing Credit	Has the meaning given in GEN section 2.5.
Providing Custody	Has the meaning given in GEN section 2.13.
Providing Fund Administration	Has the meaning given in GEN section 2.24
Providing Money Services	Has the meaning given in GEN section 2.6.
Providing Trust Services	Has the meaning given in GEN section 2.23.
PRU	The Prudential Returns module of the Sourcebook.

<b>Defined Term</b>	<b>Definition</b>
Prudential Context	<p>In relation to activities carried on by a Authorised Firm, the context in which the activities might have, or might reasonably be regarded as likely to have, a negative effect on:</p> <ul style="list-style-type: none"> <li>(a) confidence in the financial stability of the DIFC;</li> <li>(b) the ability of the Authorised Firm to meet the applicable DFSA requirements and standards relating to the Authorised Firm's financial resources; or</li> <li>(c) the fitness and propriety of the Authorised Firm to remain authorised.</li> </ul>
PSIA	Profit Sharing Investment Account.
PSIAr	Profit Sharing Investment Account received on a restricted basis.
PSIAu	Profit Sharing Investment Account received on an unrestricted basis.
Public Appearance	Any participation in an interview which is part of a seminar, forum, radio, television, website, newspaper, journal, magazine, or other periodical or other public speaking activity, or the writing of an article for a website, newspaper, journal, magazine or other periodical in which an Investment Analyst makes a recommendation or offers an opinion concerning an Investment.
Public Fund	A Fund which falls within the meaning given under Article 16(1) of the Collective Investment Law 2010.
Public Listed Company	Has the meaning given in Schedule 1 to the Regulatory Law 2004.
Public Listed Company Auditor's Report	A report referred to in MKT Rule 5.2.7(b).
Public Property Fund	Is a Public Fund which is also a Property Fund
Public Sector Entities	Bodies owned by central or regional governments or Local Authorities which perform regulatory and other non-commercial functions.

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<b>Defined Term</b>	<b>Definition</b>
Qualified Investor Fund	Has the meaning given in Article 16(5) of the Collective Investment Law 2010.
Qualifying Holding	Any holding in the capital of a non-financial Undertaking of which the Authorised Firm is a controller.
Quarterly Regulatory Return	A quarterly return of the type specified in PIN Rule A10.3.1.
Quiet Period	In relation to an initial public offering of securities, the period beginning on the day of publication of listing particulars or a prospectus relating to the offering of that Investment and ending 30 days after the day on which the Investment is admitted to trading.

## R

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<b>Defined Term</b>	<b>Definition</b>
Rated	In the case of an instrument or a counterparty, assigned a rating by a Rating Agency in respect of the counterparty credit risk associated with the instrument or counterparty.
Rating Action	Has the meaning given to it in COB Rule 8.3.5(2).
Rating Agency	Standard & Poor's, Moody's, AM Best, Fitch Ratings or another agency approved in writing by the DFSA.
Rating Analyst	Has the meaning given to it in COB Rule 8.3.1(3).
Rating Subject	Has the meaning given to it in GEN Rule 2.27.1(3).
Readily Realisable Securities	A government or public Security denominated in the currency of the country of its issuer, or any other Security which is admitted to official listing on an exchange in a Zone 1 country and regularly traded on or under the rules of such an exchange.
Real Estate Investment Trust	Has the meaning given in CIR Rule 3.1.8
Real Property	Land or buildings, whether freehold or leasehold, where the unexpired term of any lease exceeds 20 years.
REC	The Recognition module of the Rulebook.
Recognised Body	Has the meaning given in Article 37(3)(a) of the Markets Law 2012.
Recognised Jurisdiction	A jurisdiction which has been recognised by the DFSA under Article 55 of the Collective Investment Law 2010 or, pursuant to Article 1(b) of that law, under Article 20 of the Collective Investment Law 2006.
Recognised Jurisdiction Notice	A notice issued by the DFSA, pursuant Article 55 of the Collective Investment Law 2010 or, pursuant to Article 1(b) of that law, under to Article 20 of the Collective Investment Law 2006, listing countries and territories which are Recognised Jurisdictions and Foreign Funds which are Designated Funds in respect of these jurisdictions.
Recognised Member	Has the meaning given in Article 37(3)(b) of the Markets Law 2012.
Recognised Person	A Recognised Body or a Recognised Member.

<b>Defined Term</b>	<b>Definition</b>
Recognised Professional Body	A full member of IFAC.
Recognised Professional Qualification	A qualification conferred by a Recognised Professional Body.
Recognised Supervisory Authority	Means any government or quasi-government financial services regulator in a Zone 1 country or such other countries as the DFSA may accept.
Recognition	The status acquired by a Person who is admitted to the list of Recognised Persons pursuant to Article 37(5) of the Markets Law 2012.
Recognition Criteria	Has the meaning in REC Rule 2.4 or 2.5.
Reference Asset	The asset against which payments under a Derivative contract are calculated.
Reference Date	The date as at which an actuarial investigation is performed for the purposes of PIN section 7.3.
Reference Entity	The entity against which payments under a Derivative contract are calculated.
Registered Auditor	Has the meaning given in Article 97 of the Regulatory Law 2004.
Registration Statement	In relation to a Prospectus structured as multiple documents, the document referred to in MKT Rule 2.5.1(3)(b).
Regulated Exchange	An exchange regulated by a Financial Services Regulator.
Regulated Financial Institution	A Person who does not hold a Licence but who is authorised in a jurisdiction other than the DIFC to carry on any financial service by another Financial Services Regulator.
Regulation	Legislation made under any DIFC law that is not administered by the DFSA.
Regulators	In addition to the DFSA, regulators with recognised jurisdiction in relation to financial services, whether in the DIFC or outside of the DIFC.
Regulatory Announcement Services	A service approved by the DFSA for the purposes of making market disclosure of information pursuant to MKT Rule 4.7.1(c).

<b>Defined Term</b>	<b>Definition</b>
Regulatory Function	In accordance with AMI Rule 4.4.1, in relation to an Authorised Market Institution, means those functions which directly contribute to the satisfaction by the Authorised Market Institution of its Licensing Requirements.
Regulatory Law	The Regulatory Law 2004.
Regulatory Returns Auditor's Report	A report referred to in GEN Rule 8.6.1(b).
REITS	A Real Estate Investment Trust.
Related	<p>In respect of one entity, the first entity, being in the position relative to that entity of:</p> <ul style="list-style-type: none"> <li>(a) a second entity that is a Subsidiary, Associate or Holding Company of the first entity;</li> <li>(b) a second entity that is a Subsidiary or Associate of the Holding Company of the first entity;</li> <li>(c) a director or officer of the first entity or of an entity that is related to the first entity by reason of (a) or (b) above;</li> <li>(d) the spouse or minor child of a natural person referred to in (c) above; or</li> <li>(e) a company that is a Subsidiary of or subject to significant influence by or from a natural person referred to in (c) or (d) above.</li> </ul>
Related Party	<ul style="list-style-type: none"> <li>(1) In MKT, has the meaning given to that term in MKT Rule 3.5.2(a) except in relation to a Rating Subject, where it has the meaning given to it in COB Rule 8.5.2(2).</li> <li>(2) In CIR, in relation to a Fund: <ul style="list-style-type: none"> <li>(a) its Fund Manager;</li> <li>(b) its Governing Body;</li> <li>(c) its Custodian;</li> <li>(d) its Trustee or other Persons providing oversight;</li> <li>(e) any Advisor;</li> <li>(f) a holder of 5% or more of the Units of the Fund;</li> </ul> </li> </ul>

<b>Defined Term</b>	<b>Definition</b>
	or  (g) an Associate of a Person in (a) to (f).
Related Party Transaction	(1) in MKT, has the meaning given to that term in MKT Rule 3.5.2(b).  (2) in CIR, in relation to a Fund, means a transaction in respect of Fund Property entered into by a Fund Manager with a Related Party.
Related Person	Has the meaning given in PIB Rule 4.4.6.
Relevant Information	Has the meaning given to it in COB Rule 8.3.1(2)
Relevant Person	(1) In AML, has the meaning in AML Rule 1.1.2. (2) In AUD, has the meaning in AUD Rule 1.1.2.
Remuneration	Any form of remuneration, including benefits of any kind.
Reporting Entity	Has the meaning given in Article 38 of the Markets Law 2012.
Representative Office	A Person carrying on in the DIFC the Financial Service of Operating a Representative Office for which it has authorisation under its Licence.
Responsible Officer	The Licensed Function described in GEN Rule 7.4.9
Restricted Person	Has the meaning given to that term in MKT Rule 3.4.1(2).
Restricted Profit Sharing Investment Accounts	A PSIA in respect of the investment account holder imposes certain restrictions as to where, how and for what purpose his funds are to be invested.
Retail Client	A Client specified under COB Rule 2.3.2.
Return	Includes both Quarterly Regulatory Returns and Annual Regulatory Returns.
Risk Officer	The Key Individual function described in AML Rule 5.3.7.
Rule	Legislation made by the Board under Article 23 of the Regulatory Law 2004 for the purposes of that law or any law administered by the DFSA.
Rulebook	The DFSA Rulebook.



## S

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<b>Defined Term</b>	<b>Definition</b>
Safe Custody Auditor's Report	A report referred to in GEN Rule 8.6.1(e).
Safe Custody Investment	Means a Client Investment held or to be held for safekeeping by an Authorised Firm or Third Party Agent.
Safe Custody Provisions	The provisions under COB App6.
Schedule	In the case of a schedule referred to in the MKT module, a schedule that forms part of that module.
Securities Exchange Bid	Has the meaning given under Section 1.4 of TKO.
Securities Note	In relation to a Prospectus structured as multiple documents, the document referred to in MKT Rule 2.5.1(3)(c).
Securities Settlement System	Pursuant to GEN Rule 2.18.1(4), a system operated by a Person which enables Investments held in accounts to be transferred and settled by book entry according to a set of predetermined multilateral rules.
Security	Has the meaning given in GEN Rule A2.1.2.
Segregated Account	An account established and maintained in accordance with COB App5.
Segregated Client	Has the meaning given in COB Rule A5.2.1(2).
Senior Executive Officer	In relation to: <ul style="list-style-type: none"> <li>(a) an Authorised Firm, the Licensed Function described in GEN Rule 7.4.2; and</li> <li>(b) an Authorised Market Institution, the Key Individual function described in AMI Rule 5.3.4.</li> </ul>
Senior Manager	In relation to an: <ul style="list-style-type: none"> <li>(a) Authorised Firm, the Licensed Function described in GEN Rule 7.4.7; and</li> <li>(b) Authorised Market Institution, an individual who is responsible either alone or jointly with other individuals for the management, supervision or control of the Authorised Market Institution's Financial Services and who is not a member of the Governing Body.</li> </ul>

<b>Defined Term</b>	<b>Definition</b>
Service Provider	For the purpose of CIR, a Person who is delegated an activity or outsourced a function by an Fund Manager or Trustee under the terms of a Service Agreement, as described in chapter 7 of CIR.
Share	Has the meaning given in GEN Rule A2.2.1(a).
Shareholder Statement	Means a statement which describes the Share ownership profile of the Applicant prior to listing, summarising the key classes of shareholder and confirming that the Applicant complies with, or will comply with, MKT Rule 9.3.10(1) on its date of admission to the List.
Shari'a Supervisory Board	The board comprised of individuals appointed by an Authorised Person and entrusted with the duty of directing, reviewing and supervising the activities of the Authorised Person conducting Islamic Financial Business in order to ensure that the Authorised Person in compliance with Shari'a.
Short Selling	In relation to:  (a) an Authorised Firm, has the meaning given to that term in COB Rule 9.6.6(3); and  (b) an Authorised Market Institution, has the meaning given to that term in AMI Rule 6.7.1(3).
Single Family	Has the meaning given to that term in the DIFC Single Family Office Regulations.
Single Family Office	Has the meaning given to that term in the DIFC Single Family Office Regulations.
Soft Dollar Agreement	An agreement in any form under which an Authorised Firm receives goods or services in return for Investment Business put through or in the way of another Person.
Solvency Reference Date	A date at which an Insurer's compliance with capital adequacy requirements in PIN chapter 4 are assessed.
Special Purpose Vehicle	(1) In FER 1.2.7(3) and MKT App 5, a legal entity the object and purpose of which is primarily to issue Securities; and  (2) In any other case, a Body Corporate whose sole purpose, either generally or when acting in a particular capacity, is to carry out one or more of the following functions:

<b>Defined Term</b>	<b>Definition</b>
	<p>(a) issuing Investments;</p> <p>(b) redeeming or terminating or repurchasing, whether with a view to re-issue or to cancellation, an issue, in whole or par, of Investments; or</p> <p>(c) entering into transactions or terminating transactions involving Investments in connection with the issue, redemption, termination or re-purchase of Investments;</p> <p>and has been explicitly established for the purpose of:</p> <p>(d) securitising assets; or.</p> <p>(e) investing in Real Property</p> <p>and, in the case of (d), has been assessed by a rating agency.</p>
Special Resolution	In relation to a Domestic Fund, a resolution passed by a majority of not less than 75% of the votes validly cast (whether on a show of hands or on a poll) for and against the resolution at a general meeting or class meeting of Unitholders, of which notice specifying the intention to propose the resolution as a special resolution has been duly given.
Specific Risk	The risk that losses on an Authorised Firm's net long or short position in an individual equity or Security may arise from a negative or positive price movement of that equity or Security relative to the relevant market generally.
Sponsor	An Authorised Firm that repackages third party assets directly into a securitisation scheme. Where an Authorised Firm repackages non-Investment Grade third party assets, it may fall within the definition of an Originator unless it originates or repackages no more than 10% of the scheme's total assets.
SSB	Shari'a Supervisory Board.
SSS	A Securities Settlement System.
Stabilisation Agent	A Person appointed by a Stabilisation Manager under PRS Rule 3.4.1 to assist him in conducting Price Stabilisation.
Stabilisation Manager	A Person appointed by an Issuer of Shares under PRS Rule 3.2.1 to conduct Price Stabilisation.
Stabilisation Window	The period of time specified in PRS Rule 1.4.1(2) during

<b>Defined Term</b>	<b>Definition</b>
	which Price Stabilisation may occur.
State	The U.A.E.
Statement by Directors	The statement described under PIN section A10.5.
Statement of Recommended Practice (SORP)	The Statement of Recommended Practice as issued and amended from time to time by the Investment Management Association (IMA) in the United Kingdom.
Structured Product	Has the meaning given in GEN Rule A2.2.1(f).
Sub-Fund	A separate pool of Fund Property within an Umbrella Fund.
Subsidiary	Has the meaning given in Schedule 1 to the DIFC Companies Law and, without limiting the generality of that definition, is taken to include, in relation to a relevant Body Corporate (the Holding Company), the Holding Company's ultimate Subsidiary and any Subsidiary between the Holding Company and the Holding Company's ultimate Subsidiary.
Summary	The document referred to in MKT Rule 2.5.1(3)(a).
Supplementary Notes	A note which is supplementary to a Return.
Supplementary Prospectus	An updated or replacement Prospectus produced in accordance with Article 18 of the Markets Law 2012 or Article 52 of the Collective Investment Law 2010, as applicable.
Suspicious Activity Report (SAR)	Means a report in the prescribed format regarding suspicious activity (including a suspicious transaction) made to the AMLSCU under AML Rule 13.3.1(c).

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<b>Defined Term</b>	<b>Definition</b>
Takaful Insurer	An Insurer, any part of whose Insurance Business consists of Takaful transactions.
Takeover	has the meaning given in the Markets Law 2012.
Takeover Principle	means a takeover principle prescribed in Section 1.5 of TKO in accordance with Article 53 of the Markets Law 2012.
Target	includes a Reporting Entity subject to a Bid made under TKO.
Target Circular	means a document circulated by the Governing Body of a Target in response to a Takeover as described in Section 8.2 of TKO.
Third Party Agent	In relation to a Client Account, means an Authorised Firm or Regulated Financial Institution (including a bank, custodian, an intermediate broker, a settlement agent, a clearing house, an exchange and 'over the counter' counterparty) that is a separate legal entity from the Authorised Firm that is required under COB to establish the Client Account.
TKO	the Takeover Rules Module of the Rulebook.
Trade Repository	Pursuant to GEN Rule 2.2.13, a Trade Repository is a Person who maintains a centralised registry that maintains an electronic database containing records of transactions in Investments and over-the-counter derivatives undertaken by other Persons including Authorised Persons, Recognised Persons and Regulated Financial Institutions.
Trading Book	The positions and exposures including, on and off-balance sheet items eligible for inclusion in the Trading Book, as described in PIB section 2.2.
Transaction	Any transaction undertaken by an Authorised Firm in the course of carrying on a Financial Service in or from the DIFC.
Trust Administration Services	The provision of Trust Administration Services include:  (a) the keeping of Accounting Records relating to an express trust and the preparation of trust accounts;

<b>Defined Term</b>	<b>Definition</b>
	(b) the preparation of trust instruments or other documents relating to an express trust; (c) the management and administration of trust assets subject to an express trust; (d) dealing with trust assets subject to an express trust, including the investment, transfer and disposal of such assets; (e) the distribution of trust assets subject to an express trust; and (f) the payment of expenses or remuneration out of an express trust.
Trust Deed	A deed entered into by an Fund Manager and the Trustee to create an Investment Trust.
Trust Law	The Trust Law 2005.
Trust Service Provider	An Authorised Firm which is authorised under its Licence it to carry on the activity of Providing Trust Services.
Trustee	The Person, described under Article 18 of the Investment Trust Law 2006 who is appointed under a Trust Deed as the trustee of an Investment Trust to hold the Fund's Property on trust for the Unitholders and to oversee the operation of the Fund and, in relation to a Domestic Fund, is authorised under its License to act as the trustee of the Fund.

## U

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<b>Defined Term</b>	<b>Definition</b>
U.A.E.	United Arab Emirates.
Umbrella Fund	Has the meaning given in CIR Rule 3.1.10
Undertaking	Means: (a) a Body Corporate or Partnership; or (b) an unincorporated association carrying on a trade or business, with or without a view to profit.
Underwriting	An arrangement under which a party agrees to buy, before issue, a specified quantity of Securities in an issue of Securities on a given date at a given price, if no other party has purchased or acquired them.
Unit	Has the meaning given in GEN Rule A2.2.1(e)
Unitholder	In relation to a Fund, means any holder of a Unit in the Fund or of any right or interest in such a Unit, and whose name is entered on the Fund's register in relation to that Unit.
Unrestricted Profit Sharing Investment Account	A PSIA in respect of which the investment account holder authorises the Authorised Firm to invest the account holder's funds in a manner which the Authorised Firm deems appropriate without laying down any restrictions as to where, how and for what purpose the funds should be invested.
US GAAP	Generally Accepted Accounting Principles as issued and amended from time to time by the Financial Accounting Standards Board in the United States.

## V

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<b>Defined Term</b>	<b>Definition</b>
Voluntary Bid	A Bid made for acquisition of the equity Share capital of a Reporting Entity where there is no obligation to extend a Mandatory Bid.



## **W**

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<b>Defined Term</b>	<b>Definition</b>
Warrant	Has the meaning given in GEN Rule A2.2.1(c).
Working Papers	<p>Means all material (whether in the form of data stored on paper, film, electronic media or other media or otherwise) prepared by or for, or obtained by a Registered Auditor in connection with, the performance of the audit concerned and includes:</p> <ul style="list-style-type: none"><li>(a) the record of audit procedures performed;</li><li>(b) relevant audit evidence obtained; and</li><li>(c) conclusions reached.</li></ul>

## X

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[no definitions]

## Y

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[no definitions]

**Z**[Back to top](#)

<b>Defined Term</b>	<b>Definition</b>
Zone 1	Any of the following countries:  Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom and USA.
Zone 2	Any country which is not in Zone 1.