

Market Rulebook (MKT)

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



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1.1.3 Where a Rule prescribes a requirement relating to a Director, Partner or Employee of a Listed Entity or an Undertaking:

- (1) the Director, Partner or Employee, as the case may be, must take all reasonable steps within his control to secure compliance with the requirement; and
- (2) the Listed Entity or Undertaking must take all reasonable steps to ensure compliance with the requirement by the Director, Partner or Employee.

Guidance

Listed Entities, Listed Funds and Reporting Entities

1. ~~Where A Listed Entity is an Issuer of Securities (other than Units of a Fund) are admitted to the Official List, the Issuer of such, In relation to Securities which are Units in a Collective Investment Fund, a Listed Entity means a Listed Fund.~~
2. ~~All Collective Investment Funds, regardless of their legal structure, which have Units admitted to the Official List, are Listed Funds. However, in the case of Units in a Collective Investment Fund structured as an Investment Trust, it is the Trustee who is considered the Issuer of such Units.~~
23. ~~In the circumstance described in paragraph 1 above, a~~ A reference in MKT to the Reporting Entity may either refer to:
 - a. the Listed Entity itself ~~(in relation to Securities other than Units in a Fund); or,~~
 - b. ~~the Fund Manager (in relation to Units in a Fund); or~~
 - bc. whichever entity is designated by the Regulator as the Reporting Entity of that Listed Entity.
34. An example of where the Regulator may designate an entity other than the Listed Entity to be the Reporting Entity is where “Company A” has issued a Debenture via a subsidiary securitisation vehicle “SPV X”. Whilst the Debentures of SPV X may be admitted to the Official List, making it a Listed Entity, it is unlikely to have the operational capacity to be a Reporting Entity in its own right. In such circumstances the Regulator will designate Company A as the Reporting Entity for the Debentures admitted to the Official List.
45. ~~Therefore, any~~ Any reference to a Reporting Entity in MKT should be read in the context applicable to a particular Listed Entity and any associated entities. For example,

Application to Listed Funds

5. ~~Where Units of a Fund are admitted to the Official List, such a Fund is a Listed Fund. A reference to a Reporting Entity in relation to a Listed Fund is a~~

reference to the Fund Manager of that Fund, unless another person has been declared by the Regulator as the Reporting Entity of the Fund.

6. Accordingly, any obligations of a Reporting Entity of a Listed Fund are, unless the context requires otherwise, obligations imposed on the Reporting Entity in respect of the Listed Fund. Therefore, the obligations imposed by FSMR and these Rules apply to the Governing Body of the Reporting Entity and to every member of the Governing Body in the manner specified in Rules 1.1.2 and 1.1.3.

Waivers and modifications

76. The Regulator may, pursuant to section 58(2) of FSMR, waive or modify the application of the provisions in FSMR concerning making an Offer of Securities in ADGM or the admission of Securities to trading on a Recognised Investment Exchange where it considers appropriate or desirable in the interests of ADGM to do so and, in accordance with the procedures set out in paragraph 8 below.

77. Generally, the Regulator will exercise the section 58(2) FSMR power sparingly and only in circumstances where there is a clearly demonstrated case for granting a waiver or modification of FSMR, such as:

- a. to alleviate any undue regulatory burden on a Person in complying with the requirements in FSMR in circumstances where investor protection intended by the relevant provisions is not reduced; or
- b. to apply to a Person upon request (i.e. on a consent basis) the provisions of FSMR which, without a modification, will not apply to that Person. For example, an Exempt Offeror (i.e. a Person such as a government or government instrumentality included in the ADGM's Exempt Offeror List in APP 5) who is not subject to the Prospectus disclosure and the liability regime in FSMR and these Rules may apply to the Regulator for a modification to section 61 of FSMR so that it can make a Prospectus Offer of its Securities in accordance with the relevant Prospectus disclosure and liability regime in FSMR and these Rules.

78. The Regulator also has the power, pursuant to section 9 of FSMR, to waive or modify these Rules. The Guidance and Policies Manual (GPM) gives further information on how to seek a waiver or modification.

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