

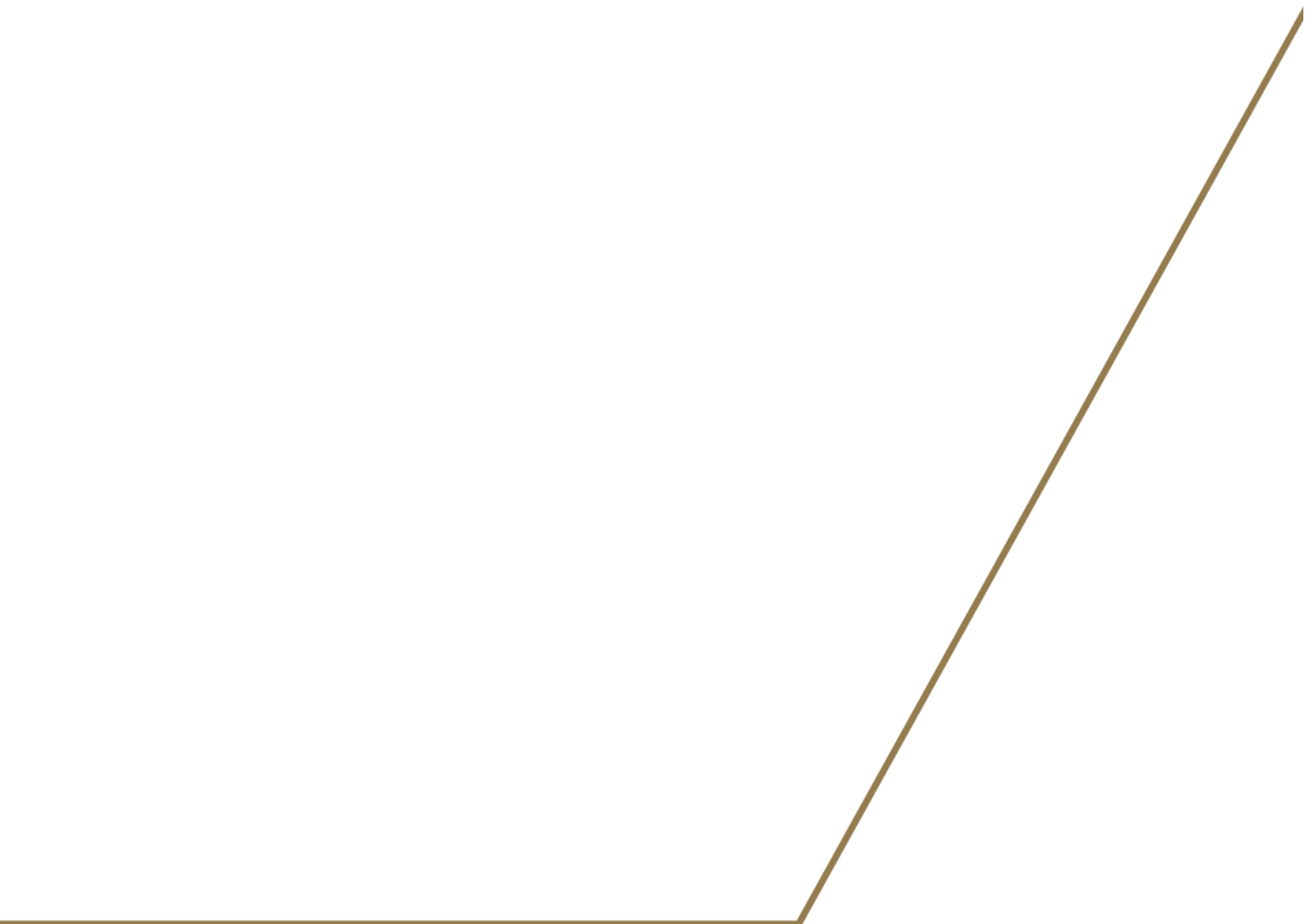


ABU DHABI  
GLOBAL MARKET

## Guidance on Permitted Activities for DLT Foundations

**Registration Authority**

November 2023



## 1. INTRODUCTION

### Introduction to the Abu Dhabi Global Market

- 1.1 Abu Dhabi Global Market (**ADGM**) is an international financial centre established pursuant to Federal Decree No. 15 of 2013 and Abu Dhabi Law No. 4 of 2013, as amended, (**ADGM Founding Law**) in the Emirate of Abu Dhabi. With its own civil and commercial laws based on English common law, ADGM offers the local, regional and international business community a world-class legal system and regulatory regime.
- 1.2 The ADGM Registration Authority (**RA**) is the commercial regulator of the ADGM. It is responsible for the licensing, registration and incorporation of entities seeking to establish a presence in the ADGM as well as monitoring and enforcing the ADGM's commercial legislation and facilitating government services.

### Guidance overview and application

- 1.3 This guidance is issued under section 28 of the ADGM Commercial Licensing Regulations 2015 and the ADGM Distributed Ledger Technology Foundations Regulations 2023 (**DLT Foundations Regulations 2023**).
- 1.4 This guidance is issued to provide information and clarification on the Permitted Activities for Distributed Ledger Technology Foundations (**DLT Foundations**) in accordance with the DLT Foundations Regulations 2023.
- 1.5 This guidance should be read in conjunction with the DLT Foundations Regulations 2023.
- 1.6 Unless otherwise defined, the terms contained in this guidance have the same meaning as defined in the DLT Foundations Regulations 2023.

## 2. Permitted Activities for DLT Foundations

- 2.1 DLT Foundations can participate in a wide array of activities, with the overarching objective of using, deploying, facilitating, and supporting Distributed Ledger Technology (DLT) or issuing Tokens.
- 2.2 The following is a non-exhaustive list of permitted activities for DLT Foundations:
  - a. Distribution of Grants  
Allocating funds or resources to support projects, innovations, or initiatives that align with the mission and Objects of the DLT Foundations.
  - b. Utilisation of DLT Technology  
Employing DLT to enable secure, transparent, and efficient transactions, data management, enhancing operational processes, automation of decision-making, trust among stakeholders and other related fields.
  - c. Issuance of Tokens

DLT Foundations may issue tokens.

d. Education and Training in DLT and related fields

Offering educational programs, courses, and training sessions to foster understanding and skills related to DLT, blockchain, and associated technologies, in compliance with the educational regulatory requirements of respective jurisdictions.

e. Development

Engaging in the development of blockchain, DLT and related technologies.

f. Innovation Stimulation

Conducting hackathons, events, research, and other creative activities to stimulate innovation and the development within the DLT ecosystem.

g. Community Support

Providing resources, support, and a collaborative platform for the community to engage, contribute, and develop the DLT.

h. Holding of own assets

Holding own assets, including virtual assets, to support the operations and objectives of the DLT Foundations.

### 3. **Excluded activities**

#### 3.1 FSRA Regulated Activities

DLT Foundations cannot participate in any activities that are regulated by Financial Services Regulatory Authority of ADGM (**FSRA**) or that require a financial services permission from the FSRA.

#### 3.2 Exceeding Charter Objectives

DLT Foundations cannot participate in activities other than those aimed to achieve objects defined in the DLT Foundations Charter, which shall include and shall be consistent with the DLT Purposes.

#### 3.3 Activity Segregation

DLT Foundations are not permitted to combine their core activities with pursuits unrelated to its DLT Purposes, such as offering professional services (e.g. legal consultancy or marketing services).

#### 3.4 Unlawful Purposes

A DLT Foundation shall not engage in any unlawful purpose and the objects of a DLT Foundation shall not include the carrying on of any activity which is unlawful, contrary to any public policy of the ADGM or the United Arab Emirates or prohibited under Article 17 of the ADGM Founding Law.

**For more information, you may contact the Registrar:**

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**Disclaimer**

This guidance is a non-binding indicative guidance and should be read together with the relevant legislation, in particular the ADGM's Distributed Ledger Technology Foundations Regulations 2023 and any other relevant regulations and enabling rules, which may change over time without notice. Information in this guidance is not to be deemed, considered or relied upon as legal advice and should not be treated as a substitute for a specific advice concerning any individual situation. Any action taken upon the information provided in this guidance is strictly at your own risk and the Registration Authority will not be liable for any losses and damages in connection with the use of or reliance on information provided in this guidance. The Registration Authority makes no representations as to the accuracy, completeness, correctness or suitability of any information provided in this guidance.