

Appendix 4

A new Markets Law [2011] is being proposed to the Ruler under Consultation Paper 75. This appendix shows proposed changes to the draft Markets Law [2011] contained in Consultation Paper 75. In this annex underlining indicates new text and striking through indicates deleted text.

MARKETS LAW DIFC LAW No. of [2011]

35 Suspending and delisting Securities from an Official List of Securities

- (1)
- (5) The requirements imposed on the DFSA in Article 35(4) shall not apply:
- (a) in relation to:
- (i) the suspension by the DFSA of Securities from an Official List of Securities; or
- ~~(b) (ii) in the case of~~ a direction given by the DFSA to an Authorised Market Institution to suspend Securities,
- where the DFSA concludes that any delay likely to arise as a result of such requirements is prejudicial to the interests of the DIFC, or
- (b) to a suspension or delisting of Securities which is requested by Reporting entity.
- (6)
- (9) The DFSA may, by Rules, prescribe any additional requirements or procedures relating to the delisting or suspension of Securities from or restoration of Securities to an Official List of Securities.

CHAPTER 2 – DEFENCES

64. Defences for market manipulation, insider dealing and providing inside information

- (1) A person shall not be found to have contravened Article 54 if the person establishes that the conduct or practice the person engaged in was carried out in the performance of:
- (a) permitted price stabilisation; or
- (b) a purchase of the person's own shares.
- in accordance with the Rules.
- (2) A person shall not be found to have contravened Article 58 if:
- (a) the person establishes that he reasonably believed that the inside information had been disclosed to the market in accordance with this Law or the Rules;
- (b) the dealing occurred in the legitimate performance of an underwriting agreement for the Investments or related investments in question;
- (c) the dealing occurred in the legitimate performance of its functions as a liquidator or receiver;

- (d) the dealing is undertaken solely in the course of the legitimate performance of his functions as a market maker;
 - (e) the person executes an unsolicited client order in Investments or related investments while in possession of inside information without contravening Article 59 or otherwise advising or encouraging the client in relation to the transaction;
 - (f) the dealing is undertaken legitimately and solely in the context of that person's public takeover bid for the purpose of gaining control of that Reporting Entity or proposing a merger with that Reporting Entity; or
 - (g) the sole purpose of the Reporting Entity acquiring its own shares was to satisfy a legitimate reduction of share capital or to redeem Securities in accordance with the Rules.
- (3) A person shall not be found to have contravened Article 59 if:
- (a) the person establishes that the information was disclosed by him in accordance with any requirement of the law or a court order; or
 - (b) the person establishes that he reasonably believed that the inside information had been disclosed to the market in accordance with this Law or the Rules.