

**Appendix 14**

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



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# The DFSA Rulebook

## Takeover Rules Module

(TKO)

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**1 INTRODUCTION AND THE TAKEOVER PRINCIPLES**

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**1.3 Regulatory proceedings in the FMT Appeals to the Regulatory Appeals Committee**

~~1.3.1~~ The Regulatory Appeals Committee has jurisdiction to hear and determine an appeal in relation to any decision of the DFSA under these Rules.

~~1.3.2~~ An appeal under Rule 1.3.1 may be made by:

(a) an applicant for a decision; or

(b) a Bidder or Target whose interests may be materially affected by a decision.

**Guidance**

Article 70(1)(c) of the Markets Law 2012 provides that the FMT has jurisdiction to hear and determine regulatory proceedings in relation to an issue arising out of a takeover, takeover offer, merger or acquisition of shares. Article 29(4) of the Regulatory Law 2004 sets out who may bring a regulatory proceeding before the FMT.

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## **17 ENFORCEMENT**

### **17.1 Applicable provisions**

#### **Guidance**

1. The Takeover Rules (including the Takeover Principles in Section 1.5) have the force of law. As acknowledged in Article 66 of the Markets Law 2012, a failure to comply with a Rule may constitute a contravention by virtue of Article 85 of the Regulatory Law 2004. Those that seek to take advantage of the facilities of the Securities markets in the DIFC should conduct themselves in matters relating to Takeovers not only in accordance with the Takeover Rules but also in accordance with the highest business standards.
2. Part 6 of the Markets Law 2012 addresses prevention of market misconduct, and Part 7 addresses contraventions and proceedings. Article 68 of the Markets Law 2012 provides that the DFSA may apply to the Court ~~or the Financial Markets Tribunal~~ to obtain an order or orders against a Person who has contravened the Markets Law 2012 or the Rules. These include, by Article 68(1)(e), orders in relation to activities relating to Takeovers. Under Article 70~~4~~(2), the FMT ~~Financial Markets Tribunal~~ also has jurisdiction to make a finding or declaration of unacceptable circumstances and additional orders as it sees fit.
3. ~~As reflected in Article 70(6) of the Markets Law 2012, an appeal may be made from the Financial Markets Tribunal to the Court pursuant to Article 32(5) of the Regulatory Law 2004.~~
4. ~~The purpose of the provisions of Part 7 of the Markets Law 2012, along with the powers of the DFSA, is set out in the Enforcement module (ENF) of the Rules. The enforcement powers of the DFSA will be exercised in accordance with the DFSA's enforcement philosophy as set out in ENF.~~

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