

Appendix 2

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



The DFSA Rulebook

Authorised Market Institutions

(AMI)

1 INTRODUCTION

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1.2 Financial Services, ancillary services, official lists of securities and Authorised Market Institutions

Guidance

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Authorised Market Institutions and regulatory processes

5. In addition to this module, the RPP Sourcebook sets out some of the regulatory process, this module sets out the DFSA's regulatory process in relation to Authorised Market Institutions. The regulatory processes contained here supplement other Rules that relate to Authorised Market Institutions. These are set out in the GEN, SUP, ENF and OSR modules of the Rulebook.

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2 APPLICATION FOR A LICENCE

2.1 Application

2.1.1 This chapter applies to a Person who intends to carry on either or both of the Financial Services of Operating an Exchange or Operating a Clearing House in or from the DIFC.

2.1.2 A Person who intends to carry on either or both of the Financial Services is referred to in this chapter as an applicant.

Guidance

~~An applicant, or potential applicant, to be an Authorised Market Institution is advised to contact the DFSA to discuss its application at the earliest possible time, but at least prior to the submission of any written documentation. In particular, the appropriateness of such a Licence will be discussed in relation to the proposed business activities.~~

2.2 Licence application

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2.2.5 In assessing an application for a Licence, the DFSA may:

- (a) carry out any enquiries which it considers appropriate including enquiries independent of the applicant;
- (b) require the applicant to provide additional information in such form as the DFSA considers appropriate;

- (c) require any information submitted by the applicant to be verified in such manner as the DFSA may specify; and
- (d) take into account any information which the DFSA considers relevant.

Guidance

~~If an applicant becomes aware of a material change in circumstances that is reasonably likely to be relevant to an application which is under consideration by the DFSA, it should inform the DFSA of the change, in writing, without delay in accordance with Article 46(2).~~

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4 NOT CURRENTLY IN USE DETERMINATION

4.1 Determination of applications

Guidance

- ~~1. Article 47(1) states that the DFSA may refuse to grant a Licence or a change to the scope of an existing Licence.~~
- ~~2. Article 48 states that the DFSA may grant an application for a Licence or a change to a Licence, with or without conditions and restrictions.~~
- ~~3. Under Article 50(3)(e), the DFSA may withdraw authorisation in relation to one or more Financial Services at the request of an Authorised Market Institution.~~
- ~~4. Upon determination of an application under Articles 47(1), 48(1) or 50(3)(e) as referred to above, the DFSA will without undue delay notify the applicant or Authorised Market Institution in writing of the decision.~~

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7 LICENSING REQUIREMENTS

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7.2 Licensing requirements

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Fit and proper - constitution, regulation and governance

7.2.2

Guidance

Section 2.2 of the RPP Sourcebook sets out matters which the DFSA takes into consideration when making an assessment of the kind under Rule 7.2.2.

1. ~~In determining whether an Authorised Market Institution has satisfied this Licensing Requirement, the DFSA will consider, in addition to those matters set out in App1:~~
 - a. ~~its arrangements, policies and resources for fulfilling its obligations under the Licensing Requirements;~~
 - b. ~~the extent to which its constitution and organisation provide for effective governance;~~
 - c. ~~the arrangements made to ensure that the Governing Body has effective oversight of its Regulatory Functions;~~
 - d. ~~the access the Key Individuals have to the Governing Body;~~
 - e. ~~the size and composition of the Governing Body including:~~
 - i. ~~the number of independent directors in the Governing Body;~~
 - ii. ~~the number of members of the Governing Body who represent Members of the Authorised Market Institution or other persons and the types of person whom they represent; and~~
 - iii. ~~the number and responsibilities of any members of the Governing Body with executive roles within the Authorised Market Institution.~~
 - f. ~~the structure and organisation of its Governing Body including any distribution of responsibilities among its members and committees;~~
 - g. ~~the integrity, qualifications and competence of its Governing Body and Key Individuals;~~
 - h. ~~its arrangements for ensuring that it employs individuals who are honest and demonstrate integrity; and~~
 - i. ~~the independence of its regulatory and listings departments from its commercial departments.~~
2. ~~The DFSA will consider a Director to be “independent” if the Director is found, on the reasonable determination by the Governing Body, to:~~
 - a. ~~be independent in character and judgement; and~~
 - b. ~~have no relationships or circumstances which are likely to affect or could appear to affect the Director’s judgement in a manner other than in the best interests of the Authorised Market Institution.~~
3. ~~In forming a determination the Governing Body should consider the length of time the director has served as a member of the Governing Body and whether the relevant director:~~
 - a. ~~has been an employee of the Authorised Market Institution or group within the last five years;~~
 - b. ~~has or has had, within the last three years, a material business relationship with the Authorised Market Institution, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Authorised Market Institution;~~
 - c. ~~receives or has received, in the last three years, additional remuneration or payments from the Authorised Market Institution apart from a director’s fee, participates in the Authorised Market Institution’s share option, or a~~

- performance related pay scheme, or is a member of the Authorised Market Institution's pension scheme;
- d. is or has been a director, partner or employee of a firm which is the Authorised Market Institution's auditor;
- e. has close family ties with any of the Authorised Market Institution's advisors, directors or senior employees;
- f. holds cross directorships or has significant links with other directors through involvement in other bodies; or
- g. represents a significant shareholder.

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10 SUPERVISION OF AUTHORISED MARKET INSTITUTIONS

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10.2 Relations with regulators and the risk based approach

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10.2.2

Guidance

1. This chapter focuses on supervision of an Authorised Market Institution and the supervisory approach of the DFSA towards an Authorised Market Institution. It explains how the ongoing relationship between an Authorised Market Institution and the DFSA will operate. It specifically contains an explanation of the supervisory regulatory process which applies to Authorised Market Institutions and the key elements of this risk based approach.
2. This chapter also contains Rules in relation to an Authorised Market Institution in relation to co operation with regulators, a number of notification requirements and also the process by which the supervisory directions powers contained in the Markets Law will be exercised.

Risk-based regulator

3. The DFSA is a risk based regulator and has adopted a risk based approach to the regulation and supervision of Authorised Market Institutions. The DFSA will work with Authorised Market Institutions to identify, assess, mitigate and control these risks where appropriate. When exercising powers the DFSA will consider its statutory objectives which are set out in Article 8(3) and the associated guiding principles as set out in Article 8(4). This guidance outlines the DFSA's supervisory approach to Authorised Market Institutions which is based upon:
 - a. developing a strong relationship with an Authorised Market Institution;
 - b. utilising the risk based approach to supervision including the risk assessment as part of the DFSA's continuous risk management cycle;
 - e. using appropriate supervisory tools; and

- d. — considering any lead or consolidated supervision which an Authorised Market Institution may be subject to.

Relationship with Authorised Market Institutions

- 4. — In order to meet its objectives, the DFSA requires an open, transparent and co-operative relationship between itself and the Authorised Market Institution. The DFSA expects to maintain an ongoing dialogue with the Governing Body, senior management and Key Individuals of an Authorised Market Institution in order to develop and sustain a thorough understanding of the Authorised Market Institution's business, systems and controls, the way in which Key Individuals perform Regulatory Functions and, through this relationship, to be aware of all the areas of risks to its objectives. In addition, the DFSA must always be confident that an Authorised Market Institution is satisfying the Licensing Requirements.
- 5. — The DFSA seeks to maintain an up to date knowledge of an Authorised Market Institution's business. However, an Authorised Market Institution is also required to keep the DFSA informed of significant events, or anything related to the firm of which the DFSA would reasonably expect to be notified.
- 6. — The nature and intensity of the DFSA's relationship with an Authorised Market Institution will depend upon a number of factors. The DFSA's level of supervision will be proportionate to the risks which the Authorised Market Institution poses to the DFSA's objectives and will place emphasis on the responsibilities of the Governing Body and senior management in assessing, mitigating and controlling its risks.

Risk-based supervision of Authorised Market Institutions

- 7. — The DFSA seeks to ensure that Authorised Market Institutions comply with legislation applicable in the DIFC and it has established a risk-based approach to the supervision of Authorised Market Institutions.
- 8. — The DFSA's supervisory approach is based on transparent and accountable risk-based regulation. This approach enables the DFSA to identify and focus its attention on the areas where there are perceived to be the greatest risks to its objectives.
- 9. — The purpose of the DFSA's risk-based approach to supervision is to:
 - a. — ensure that its resources are deployed in relation to the perceived risks that an Authorised Market Institution poses to the DFSA's objectives;
 - b. — formalise a structured supervisory approach to the use of its supervisory tools; for example to establish the frequency and type of on site visits to an Authorised Market Institution; and
 - e. — encourage Authorised Market Institutions to develop a compliance culture and to identify, assess, mitigate and control significant risks, with particular reliance on an Authorised Market Institution's Governing Body and senior management to address the issues that are identified.

Risk management cycle

- 10. — The DFSA has adopted a continuous risk management cycle. This comprises the identification, assessment, prioritisation and mitigation of risks arising from a range of areas within an Authorised Market Institution, including business, operations, internal controls and compliance arrangements. General factors that apply across the regulated community as a whole, or to particular sectors, are also be taken into consideration. Authorised Market Institutions are subject to similar risk factors as other parts of the regulated community carrying on other financial services though the impact of such factors may differ in certain circumstances.

Risk categories, risk groups and risk elements

11. The DFSA differentiates between the two high level risk categories 'business and operations' and 'internal controls and compliance arrangements'. Within these risk categories are risk groups which the DFSA may review to identify risks that could inhibit the achievement of its objectives:
- a. The risk category 'business and operations' includes the following risk groups:
 - i. financial risks;
 - ii. business and strategic risks; and
 - iii. external risks.
 - b. The risk category 'internal controls and compliance arrangements' includes the following risk groups:
 - i. regulatory and legal risks;
 - ii. system and control risks;
 - iii. management and governance risks; and
 - iv. risks to Members, users and markets.

Risk identification and assessment

12. DFSA's risk management cycle and an Authorised Market Institution's initial risk assessment will begin upon receipt of an application for authorisation.
13. The DFSA will assess and prioritise all identified risks to its objectives and as a result assign each Authorised Market Institution an aggregate risk classification of low, medium or high.
14. The risk classification process for Authorised Market Institutions comprises an assessment of the specific risks to the DFSA's objectives within each firm and the probability of the risks occurring. The results will be brought together in aggregate which determine the classification of an Authorised Market Institution as 'high', 'medium' or 'low' risk to the DFSA's objectives.
15. Probability is considered by way of analysis of the control structures in place to mitigate risks within an Authorised Market Institution. The DFSA considers the adequacy of controls in respect of the specific risks identified. Where a particular control is considered to be weak, this will be taken into account in the allocation of the Authorised Market Institution's overall risk score.

Risk prioritisation and mitigation

16. Whenever appropriate, the DFSA will inform the Authorised Market Institution of the steps the firm needs to take in relation to specific risks. Subsequently, the DFSA expects the Authorised Market Institution to demonstrate that it has taken appropriate steps to mitigate the risks it poses to the DFSA's objectives.
17. Where necessary, risk mitigation programmes will be developed with Authorised Market Institutions in order to mitigate or remove identified areas of risk.
18. Whilst the DFSA will discuss certain information with the Authorised Market Institution, in particular the specific risks that lead it to assign an overall risk

classification to the Authorised Market Institution and any necessary remedial actions, it will not usually disclose the final risk classification.

Ongoing risk analysis

19. ~~The risk assessment process will apply equally to all Authorised Market Institutions, although the information required for the assessment may vary from firm to firm. Authorised Market Institutions with a higher risk classification will be subject to closer regulatory attention and would typically be subject to supervisory reviews specifically designed to address particular causes of risk. All Authorised Market Institutions will be subject to an individual risk assessment, except where more than one Authorised Market Institution belongs to the same Group, in which case the DFSA may decide to carry out a Group risk assessment.~~
20. ~~The risk assessment process is ongoing and it is expected that the risks of each Authorised Market Institution will be reviewed on at least an annual basis. Notifications, reporting of information, an on going dialogue with the Governing Body, senior management and Key Individuals and visits to the Authorised Market Institution will ensure that the DFSA has current information on key risk areas of the Authorised Market Institution, facilitating the updating of the Authorised Market Institution's risk classification at any time.~~
21. ~~There are also a number of trigger events which may affect the frequency of a risk assessment and the Authorised Market Institution's overall risk classification. Examples include:~~
- a. ~~a notification from a non-DIFC regulator or other authority of an issue concerning the Authorised Market Institution;~~
 - b. ~~a material change in an Authorised Market Institution's business, Member composition and new business activities;~~
 - e. ~~notification from an Authorised Market Institution claiming that it is no longer satisfying a licensing requirement;~~
 - d. ~~a change in the Authorised Market Institution's Controllers;~~
 - e. ~~an Authorised Market Institution's development of high risk products or business lines;~~
 - f. ~~an Authorised Market Institution's development of business areas with characteristics such as unusual profitability;~~
 - g. ~~an Authorised Market Institution's appointment of new personnel in key business areas or to perform Regulatory Functions;~~
 - h. ~~an Authorised Market Institution's acquisition of new or revised information systems or new technology;~~
 - i. ~~a rapid growth in specific areas of activity of an Authorised Market Institution including new listings;~~
 - j. ~~an Authorised Market Institution's corporate restructuring, merger or acquisitions;~~
 - k. ~~an Authorised Market Institution's expansion or acquisition of non DIFC operations including the impact of changes in related economic and regulatory environments;~~
 - l. ~~the DFSA's response to industry wide concerns or themes; or~~

- m. ~~the occurrence of material disruptions with the provision of services by an Authorised Market Institution;~~
- n. ~~recurrent complaints from Members or users of the facilities of an Authorised Market Institution; or~~
- o. ~~problems relating to the maintenance of orderly markets with respect to an Exchange.~~

Review of risk management systems

- 22. ~~Pursuant to GEN Rule 5.3.6, an Authorised Market Institution must ensure that its risk management systems provide the Authorised Market Institution with the means to identify, assess, mitigate and control its risks.~~
- 23. ~~The DFSA may review the results of the Authorised Market Institutions internal risk assessment and determine the extent to which each of the Authorised Firm's risks impacts on DFSA's objectives, and consider the controls and mitigation programmes the firm has in place. Pursuant to AMI Rule 7.2.6, an Authorised Market Institution is also subject to some additional risk management requirements.~~
- 24. ~~The requirements under AMI Rule 7.2.6 relate more specifically to the functions and services offered by the Authorised Market Institution but are equal in importance to the general risk management requirements, for example an Authorised Market Institution licensed to be Operating a Clearing House is likely to have substantial risk management procedures in relation to its role as a central counterparty.~~

Regulatory and supervisory tools used by the DFSA

- 25. ~~The DFSA's risk based approach emphasises the continuous nature of supervision of Authorised Market Institutions, early detection of risk issues, and the need for efficient use of resources. This will be achieved through the appropriate and where possible pre-emptive use of its regulatory tools. Once an Authorised Market Institutions risks to the DFSA's objectives have been identified and assessed, the DFSA will take appropriate action to mitigate them before they crystallise. In doing so, the DFSA will consider all regulatory tools at its disposal.~~
- 26. ~~The DFSA has a wide range of regulatory tools available to address risks at different stages of their development. These tools can be classified as diagnostic, monitoring, preventative or remedial in nature, though many tools are multi purpose:~~
 - a. ~~diagnostic tools help to identify and assess risks;~~
 - b. ~~monitoring tools help to monitor and track identified risks;~~
 - e. ~~preventative tools help to mitigate identified risks and prevent them from crystallising; and~~
 - d. ~~remedial tools help to respond to risks that have crystallised, for example disciplinary sanctions or restrictions placed on an Authorised Market Institution's business or property.~~
- 27. ~~Regulatory tools are utilised during the authorisation, supervision and enforcement regulatory processes. Some regulatory tools are used mainly within the supervisory process. Others, for example the development of new rules or publicising a particular issue, lie outside the relationship with individual firms.~~
- 28. ~~An Authorised Market Institution must be able to demonstrate that it is fit and proper at the time of its authorisation and will remain to do so by adhering to the Licensing Requirements. The DFSA will use its regulatory tools to test an Authorised Market~~

Institution's satisfaction of the Licensing Requirements and its ongoing fitness and propriety.

29. ~~For the purpose of supervision, the DFSA will select those supervisory tools which are most suitable and effective to identify and address particular risks in a specific situation.~~
30. ~~Examples of the DFSA's supervisory tools include:~~
- a. ~~on site visits;~~
 - b. ~~high level meetings;~~
 - e. ~~external auditor reports, statements and tripartite meetings;~~
 - d. ~~desk based reviews;~~
 - e. ~~requiring information and documents;~~
 - f. ~~independent expert reports;~~
 - g. ~~reliance on an Authorised Market Institution's compliance and audit department;~~
 - h. ~~varying the scope of an Authorised Market Institution's Licence; and~~
 - i. ~~setting capital requirements.~~

Official list of securities

31. ~~Where an Exchange administers and operates an Official List of Securities, the risk based approach to supervision also applies to the carrying on of this activity.~~

Group supervision

32. ~~When the DFSA licenses an Authorised Market Institution, it takes into consideration the relationship with any wide Group to which the firm may belong or with other Persons closely linked to it. The DFSA will also taken into account lead or consolidated supervision to which an Authorised Market Institution or its Group may be subject to in another jurisdiction. This may lead to the DFSA placing some reliance on the supervisory arrangements in another jurisdiction or creating and participating in special arrangements for the supervision of the Authorised Market Institution and its Group. The Authorised Market Institution is expected to provide information required or reasonably requested in relation to these consolidated or lead supervisory arrangements before final supervisory arrangements are established.~~
33. ~~Each application and relationship will be considered on a case by case basis and according to the risks posed by the licensing and ongoing supervision of an Authorised Market Institution. The supervisory arrangements may include a process be agreed by the DFSA, the Authorised Market Institution itself and other relevant regulators.~~
34. ~~Effective co-operation with regulators will provide for prompt exchange of information and co-operation in relation to supervision, investigation and enforcement between jurisdictions. This will include exchanges of information and co-operation in respect of activity conducted in the facilities of an Authorised Market Institution. Usually co-operation arrangement will be in the form of memoranda of understanding or other arrangements. The information exchange will enhance the DFSA's understanding of the operations of a Group and the effect on the firm.~~

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12 DELETED ENFORCEMENT POWERS AND AUTHORISED MARKET INSTITUTIONS

12.1 Application of ENF module

Guidance

~~The DFSA has powers of enforcement and intervention which apply to Authorised Market Institutions. These powers are dealt with in ENF.~~

App1 DELETED GUIDANCE ON FITNESS AND PROPRIETY

A1.1 Introduction

Guidance

- ~~1. This appendix provides guidance on the matters which the DFSA may take into account when assessing, for the purpose of AMI, the fitness and propriety of:
 - a. an applicant for a Licence to be an Authorised Market Institution; and
 - b. an Authorised Market Institution.~~
- ~~2. In every case, the Person must satisfy the DFSA that he is fit and proper. The DFSA will have regard to current, past and anticipated future factors.~~
- ~~3. In this appendix an Authorised Market Institution includes an applicant for a Licence to be an Authorised Market Institution.~~

A1.2 An Authorised Market Institution

Guidance

Locations of offices and close links

- ~~1. An Authorised Market Institution will need to satisfy the DFSA that it is in compliance with GEN chapter 6. In particular:
 - a. GEN section 6.5 requires that if an Authorised Market Institution is a Body Corporate constituted under the laws of the DIFC it must maintain its head office and registered office in the DIFC. In considering the location of an Authorised Market Institution's head office, the DFSA shall have regard to the location of its directors, partners, and senior management with respect to its strategic, operational and administrative arrangements.
 - b. GEN section 6.6 concerns Close Links. The DFSA must be satisfied that the existence of Close Links do not prevent the effective supervision of the Authorised Market Institution by the DFSA. Where the DFSA is not satisfied concerning an Authorised Market Institution's Close Links, an application for a Licence or an extension of the scope of a Licence will not be granted, and an existing Licence may be revoked.~~

General

- ~~2. An Authorised Market Institution not satisfying the DFSA with respect to the location of its offices, Close Links and legal status (as applicable) will not be considered fit and proper.~~
- ~~3. An Authorised Market Institution that satisfies the matters described under Guidance notes 1 and 2 above will also need to satisfy the DFSA with respect to its compliance with all applicable Rules including, but not limited to, the remaining matters detailed in Guidance notes 7 to 11 below.~~
- ~~4. The DFSA will have regard to all relevant matters, whether arising in the DIFC or elsewhere. The DFSA will determine the materiality of any information for the purposes of considering whether an Authorised Market Institution has demonstrated, or continues to demonstrate, that it is fit and proper.~~
- ~~5. In considering any specific matters, the DFSA may request reviews by any appropriately skilled third party on any aspect of the Authorised Market Institution's proposed or actual activities or the environment in which the applicant predominantly operates. The DFSA must agree the scope of any reviews performed and review its output, although such reviews will, ordinarily, need to be agreed beforehand to be at the applicant's sole expense.~~
- ~~6. The DFSA may request or require any information which it considers relevant to its consideration of an application by an Authorised Market Institution.~~

Background and history

- ~~7. The DFSA will have regard to:
 - ~~a. any matter affecting the propriety of the Authorised Market Institution's conduct, whether or not such conduct may have resulted in the commission of a criminal offence or the contravention of the law or the institution of legal or disciplinary proceedings of whatever nature;~~
 - ~~b. whether an Authorised Market Institution has ever been the subject of disciplinary procedures by a government body or agency or any self regulating organisation or other professional body;~~
 - ~~c. a contravention of any provision of financial services legislation or of rules, regulations, statements of principle or codes of practice made under it or made by a recognised self regulatory organisation, Financial Services Regulator, Authorised Market Institution or regulated exchange or clearing house;~~
 - ~~d. whether an Authorised Market Institution has been refused, or had a restriction placed on, the right to carry on a trade, business or profession requiring a licence, registration or other permission;~~
 - ~~e. an adverse finding or an agreed settlement in a civil action by any court or tribunal of competent jurisdiction resulting in an award against or payment by an Authorised Market Institution in excess of \$10,000 or awards that total more than \$10,000;~~
 - ~~f. whether an Authorised Market Institution has been censured, disciplined, publicly criticised or the subject of a court order at the instigation of any regulatory authority, or any officially appointed inquiry, or any other Financial Services Regulator; or~~
 - ~~g. whether an Authorised Market Institution has been open and truthful in all its dealings with the DFSA.~~~~

Ownership and group

8. ~~The DFSA will have regard to:~~
- a. ~~the Authorised Market Institution's position within its Group, including any other relationships that may exist between the Authorised Market Institution's affiliates, Controllers, Associates or other Close Links;~~
 - b. ~~any information provided by other regulators in relation to the Authorised Market Institution or any entity within its group;~~
 - c. ~~the background, history and principal activities of the Authorised Market Institution's Controllers, including that of the Controller's Directors, Partners or other officers associated with the group, and the degree of influence that they are, or may be, able to exert over the Authorised Market Institution and/or its activities; or~~
 - d. ~~whether the Authorised Market Institution or its Group is subject to any adverse effect or considerations arising from its country of incorporation or the country (or countries) of incorporation of its Controllers. In considering such matters, the DFSA will also have regard to the type and level of regulatory oversight in the country or countries of incorporation referred to above, the regulatory infrastructure and adherence to internationally held conventions and standards that the DFSA has adopted in its Rules.~~

Resources

9. ~~The DFSA will have regard to whether the Authorised Market Institution has sufficient resources of all types, including:~~
- a. ~~the Authorised Market Institution's financial resources and whether it complies, or will comply, with any applicable financial Rules, and whether the Authorised Market Institution appears in a position to be able to continue to comply with such rules;~~
 - b. ~~the extent to which the Authorised Market Institution is or may be able to secure additional capital in a form acceptable to the DFSA where this appears likely to be necessary at any stage in the future;~~
 - c. ~~the availability of sufficient competent human resources to conduct and manage the Authorised Market Institution's affairs, in addition to having a sufficient type and number of Authorised Individuals to conduct and manage the Authorised Market Institution's Financial Services;~~
 - d. ~~whether the Authorised Market Institution has sufficient and appropriate systems and procedures in order to support, monitor and manage its affairs, resources and regulatory obligations in a sound and prudent manner;~~
 - e. ~~whether the Authorised Market Institution has appropriate anti money laundering procedures and systems designed to ensure full compliance with applicable money laundering legislation, including arrangements to ensure all relevant staff are aware of their obligations; and~~
 - f. ~~the impact of other members of the Authorised Market Institution's Group on the adequacy of the Authorised Market Institution's resources and in particular, though not exclusively, the extent to which the Authorised Market Institution is or may be subject to consolidated prudential supervision by the DFSA or another Financial Services Regulator.~~

The DFSA's Rulebook

10. — ~~In assessing whether an Authorised Market Institution is fit and proper, the DFSA will also consider the degree to which the Authorised Market Institution is ready, willing and able to conduct the relevant activities in accordance with the Rules and other legislation applicable in the DIFC.~~

11. — ~~An Authorised Market Institution which fails to comply with any one or more Rules of the DFSA may also be in breach of one or more of the Licensing Requirements. Accordingly, the Authorised Market Institution may then be liable for disciplinary or enforcement action. In certain circumstances a breach of a Rule or principle may call into question whether that Person remains fit and proper.~~