

Appendix 6

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



The DFSA Rulebook

Offered Securities Rules

(OSR)

Item 6. OSR 2.4.1 and CIR 2.3.10 - Employee share scheme exclusion**2 OFFERS OF SECURITIES**

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2.4 Exempt offers

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2.4.1 (1) The DFSA, for the purposes of Article 14(2)(d) of the Markets Law 2004, prescribes an Offer as an Exempt Offer where:

- (a) the Offer satisfies at least one of the following conditions:
 - (i) the Securities are Commercial Paper, certificates of deposit or bills of exchange;
 - (ii) the Offer is made to no more than 50 Offerees in the DIFC in any 12 month period;
 - (iii) the total consideration payable for the Securities does not exceed one million dollars; or
 - (iv) the Securities are Debentures and the minimum consideration which may be paid by any Person for the Securities acquired by him pursuant to the Offer is \$50,000; or

[Amended][VER4/04-06]

- (b) the Offer is of Securities that:
 - (i) are Shares and are offered by the Issuer to its members, or creditors ~~or Employees of the Issuer or their Relatives~~;
 - (ii) are issued and offered by a Body Corporate to a member of the same Group as the Body Corporate;
 - (iii) result from the conversion of a Convertible and a Prospectus relating to the Convertible has been published in the DIFC under these Rules; or

- (iv) are Shares, Certificates representing Shares, or Warrants to subscribe for Shares in a Body Corporate offered by the Body Corporate in exchange for Securities in the same Body Corporate and the Offer does not result in any increase in the issued Share capital of that Body Corporate; or
- (c) the Offer is of Securities that are issued by a Person (the Issuer) in pursuance of arrangements for the benefit of:
 - (i) an Employee or former Employee of the Issuer or of another member of the same Group as the Issuer; or
 - (ii) a Close Relative of any such Employee;
pursuant to the terms of an employee compensation or reward scheme. The arrangements must be operated by the Issuer or by a member of the same Group as the Issuer or by a trustee who, in pursuance of the arrangements, holds the Securities issued by the Issuer for the benefit of any eligible Persons referred to in (i) or (ii).
- (2) An Exempt Offer is a Personal Exempt Offer if it:
 - (a) satisfies the conditions set out in Rules 2.4.1(1)(a)(ii) and (iii);
 - (b) may only be accepted by the Person to whom it is made; and
 - (c) is made to a Person who is likely to be interested in the Offer having regard to:
 - (i) previous contact between the Person making the Offer and that Person;
 - (ii) a professional or other connection between the Person making the Offer and that Person; or
 - (iii) statements or actions by that Person that indicate that they are interested in offers of that kind.

Guidance

Personal Exempt Offers are a special, and very limited, category of Exempt Offer. By virtue of the operation of Rule 3.1.1, Personal Exempt Offers are not subject to the operation of chapter 3 and, therefore, those making Personal Exempt Offers are not required to comply with the requirements applying to those making other types of Exempt Offers.

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3 EXEMPT OFFERS OF SECURITIES

3.1 Application

- 3.1.1** This chapter applies to a Person who makes or intends to make an Exempt Offer other than a Person who makes or intends to make a Personal Exempt Offer or an Offer of Securities which is exempt by virtue of Article 14(2)(a) or 14(2)(c) of the Markets Law 2004 or Rule 2.4.1(1)(b) and (c).



Item 10. Financial statements and annual reports

App 2 CONTINUING OBLIGATIONS

A2.1 Continuing obligations - disclosure relating to the reporting entity

A2.1.1 On occurrence of an event in the "events" column, a Reporting Entity must make the type of disclosure in accordance with the "requirements" column and the "time" column. [Amended][VER2/08-05]

- Note:**
1. A column marked with an "x" indicates that the disclosure requirements apply in relation to that Security.
 2. Continuing obligations in relation to disclosure requirements for Listed Funds are located in section A2.3. [Added][VER2/08-05]

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Financial Information Relating to a Reporting Entity									
13.	Annual report and annual financial statements.	(1) Market disclosure of the annual report and annual financial statements. The annual report must include in respect of the financial year to which it relates: (a) a review of operations during the year and the results of those operations; (b) details of any significant changes in the Reporting Entity's state of affairs during the financial year;	As soon as possible after the accounts have been approved but no later than 120 days after the end of the financial period.	X	X	X	X	X	X



		<p>(c) the Reporting Entity's principal activities during the year and any significant changes in the nature of those activities during the year;</p> <p>(d) details of any matter or circumstance that has arisen since the end of the year that has significantly affected or may significantly affect:</p> <p>(i) the Reporting Entity's operations in future financial years;</p> <p>(ii) the results of those operations in future financial years; or</p> <p>(iii) the Reporting Entity's state of affairs in future financial years; and</p> <p>(e) likely developments in the Reporting Entity's operations in future financial years and the expected results of those operations;</p> <p>(f) A statement by the auditors that the accounts give a true and fair view of the state of the Reporting Entity's affairs, profit and loss and additional information as may be required.</p> <p>(2) The annual financial statements must be audited by an independent, competent and qualified</p>							
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		<p>auditor in accordance with the International Auditing and Assurance Standards Board Financial or other standards acceptable to the DFSA or where appropriate, AAOIFI standards.</p> <p><u>Guidance</u></p> <ol style="list-style-type: none"> 1. <u>An annual report and a financial statement are two separate documents. The filing of a financial statement alone does not satisfy the obligation of the Reporting Entity to file the annual report with the DFSA. Financial statements can be filed separately or as part of the annual report.</u> 2. <u>The DFSA expects that the Reporting Entity, within its annual report, makes appropriate levels of disclosure for different types of Securities. Accordingly, the disclosure made for an Issuer of Shares would be significantly more extensive than the disclosure made in respect of an Issuer of Debentures.</u> 							
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