

ANNEX B

In this Annex, underlining indicates new text and striking through indicates deleted text.



SUPERVISION (SUP)

2 INFORMATION GATHERING

2.1 Application

2.1.1 This chapter applies to an ~~Authorised Firm~~Authorised Person with respect to the carrying on of all of its activities and takes into account any activities of other members of the Group of which the ~~Authorised Firm~~Authorised Person is a member.

2.2 Information and documents

Guidance

1. In order to supervise the conduct and activities of ~~Authorised Firm~~Authorised Persons and Authorised Individuals the DFSA needs to have access to a broad range of information about an ~~Authorised Firm~~Authorised Person's business.
2. The power for the DFSA to obtain information and require an ~~Authorised Firm~~Authorised Person to produce information and documents is provided under Article 73.
3. The DFSA will provide ~~Authorised Firm~~Authorised Persons with written notice of the documents and information that are required.
4. The Regulatory Law 2004 allows the DFSA to make a request for information and documents from an ~~Authorised Firm~~Authorised Person wherever that ~~Authorised Firm~~Authorised Person may be located. This allows the DFSA access to the head office of a Branch or Subsidiary and the provision of documents from its head office.
5. Article 73(4) allows the DFSA, on application to the Court, to exercise these rights outside the jurisdiction of the DIFC in relation to a Person other than an ~~Authorised Firm~~Authorised Person and require such a Person to comply with the requirement or permit the exercise of the DFSA's rights.

2.2.1 An ~~Authorised Firm~~Authorised Person must where reasonable:

- (a) give or procure the giving of specified information, documents, files, tapes, computer data or other material in the ~~Authorised Firm~~Authorised Person's possession or control to the DFSA;
- (b) make its Employees, readily available for meetings with the DFSA;
- (c) give the DFSA access to any information, documents, records, files, tapes, computer data or systems, which are within the ~~Authorised Firm~~Authorised Person's possession or control and provide any facilities to the DFSA;

- (d) permit the DFSA to copy documents or other material on the premises of the ~~Authorised Firm~~Authorised Person at the ~~its~~DFSA's reasonable expense ~~and to remove copies and hold them elsewhere; or~~
- (e) to provide any copies as requested by the DFSA; and
- (f) answer truthfully, fully and promptly, all questions which are put to it by the DFSA.

2.2.2 An ~~Authorised Firm~~Authorised Person must take reasonable steps to ensure that its Employees act in the manner set out in this chapter.

2.2.3 An ~~Authorised Firm~~Authorised Person must take reasonable steps to ascertain if there is any secrecy or data protection legislation that would restrict access by the Authorised Person or the DFSA to any ~~data~~data required to be recorded by the ~~Authorised Firm~~Authorised Person or the DFSA. Where such legislation exists, the ~~Authorised Firm~~Authorised Person must keep copies of relevant documents or material in a jurisdiction which does allow access in accordance with legislation applicable in the DIFC.

2.3 Access to premises

Guidance

1. Under Article 73, the DFSA may enter the premises of any ~~Authorised Firm~~Authorised Person during normal business hours or at any other time as may be agreed, for the purpose of inspecting and copying information or documents stored in any form on such premises, as it considers necessary or desirable to meet the objectives of the DFSA.
2. The DFSA expects to be able to give reasonable notice to an ~~Authorised Firm~~Authorised Person or person when it seeks information, documents, meetings or access to premises. On rare occasions however, the DFSA may seek access to premises without notice. The prospect of unannounced visits is intended to encourage ~~Authorised Firm~~Authorised Persons to comply with the legislation applicable in the DIFC.
3. Pursuant to Articles 67 and 72 (2), ~~Authorised Firm~~Authorised Persons are required to give full co-operation and respond to any regulatory request.

2.4 Third party providers and suppliers

2.4.1 An ~~Authorised Firm~~Authorised Person must ensure that the terms of its contract with each third party provider or supplier under a material outsourcing arrangement requires the third party to:

- (a) provide for the provision of information under this chapter in relation to the ~~Authorised Firm~~Authorised Person and access to their business premises; and
- (b) deal in an open and co-operative way with the DFSA.

Guidance

- 1. The DFSA will normally seek information from an ~~Authorised Firm~~Authorised Person in the first instance, but reserves the right to seek it from a supplier under a material outsourcing arrangement if appropriate.
- 2. A material outsourcing arrangement would be a service of such importance that weakness, or failure of the service would cast serious doubt on the ~~Authorised Firm~~Authorised Person's continuing ability to remain fit and proper or comply with applicable laws including Rules.
- 3. GEN Rule 5.3.22 requires an ~~Authorised Firm~~Authorised Person to inform the DFSA about any material outsourcing arrangements.
- 4. The Regulatory Law 2004 requires co-operation and disclosure by an ~~Authorised Firm~~Authorised Person's auditor and may involve the DFSA meeting or requesting documents or information from the ~~Authorised Firm~~Authorised Person's auditors.

2.5 Lead regulation

- 2.5.1 (1) If requested by the DFSA, an ~~Authorised Firm~~Authorised Person must provide the DFSA with information that the ~~Authorised Firm~~Authorised Person or its auditor has provided to a Financial Services Regulator.
- (2) If requested by the DFSA, an ~~Authorised Firm~~Authorised Person must take reasonable steps to provide the DFSA with information that other members of the ~~Authorised Firm~~Authorised Person's Group has provided to a Financial Services Regulator.

Guidance

1. Under Article 39 the DFSA may exercise its powers for the purpose of assisting other regulators or agencies.
2. The DFSA may also delegate functions and powers to representatives of other regulators or agencies as prescribed in Article 40.

3 WAIVERS

3.1 Application

3.1.1 This chapter applies to every ~~Authorised Firm~~Authorised Person.

Guidance

1. Under Article 25, the DFSA may by means of a written notice provide that one or more provisions of the Rules either:
 - a. shall not apply in relation to a particular person; or
 - b. shall apply to a particular person with such modifications as are set out in the written notice.
2. This chapter sets out Rules in connection with the provision of a written notice under Article 25 including Rules prescribing procedures for the making of applications and providing of consents.
3. It is unlikely that the DFSA will waive the following Rules:
 - a. Rules in GEN chapters 2 and 3; or
 - b. Rules in COB part 1.

3.1.2 Throughout the Rulebook reference to the written notice under Article 25 will be referred to as a 'waiver'.

3.2 Procedures for application for waivers

Guidance

~~A w~~Waiver application forms ~~are~~is contained in PFN.

~~Application by an Authorised Firm~~

3.2.1 If an Authorised Firm wishes to apply for a waiver, it must apply in writing and the application must be delivered to the DFSA as outlined in section 7.~~1011~~.

3.2.2 The application must contain:

- (a) the name and licence number of the ~~Authorised Firm~~Authorised Person;

- (b) the Rule to which the application relates;
- (c) a clear explanation of the waiver that is being applied for and the reason why the ~~Authorised Firm~~Authorised Person is requesting the waiver;
- (d) details of any other requirements; for example, if there is a specific period for which the waiver is required;
- (e) if the ~~Authorised Firm~~Authorised Person has any reason why the waiver should not be published or why it should be published without disclosing the identity of the ~~Authorised Firm~~Authorised Person; and
- (f) all relevant facts to support the application.

3.2.3 An ~~Authorised Firm~~Authorised Person must immediately notify the DFSA if it becomes aware of any material change in circumstances which may affect the application for a waiver.

Determination of waivers

Guidance

1. The DFSA will acknowledge an application for a waiver and may request further information. The time taken to determine the application for a waiver will depend upon the issues it raises.
2. The determination of a waiver is at the discretion of the DFSA and it will generally only apply a waiver where there is shown to be an appropriate and justifiable reason.
3. The DFSA may impose conditions on a waiver, for example additional reporting requirements.
4. A waiver may be given for a specified period of time only, after which time it will cease to apply.
5. If the DFSA decides not to give a waiver, it will give reasons for the decision.
6. An ~~Authorised Firm~~Authorised Person may withdraw its application for a waiver at any time up until the giving of the waiver. In doing so, an ~~Authorised Firm~~Authorised Person should give reasons for the withdrawing of the application.

General waivers

7. Where the DFSA considers that a waiver should apply to a number of ~~Authorised Firm~~Authorised Persons, for example, where a Rule unmodified may not meet the particular circumstances of a particular category of ~~Authorised Firm~~Authorised Person the DFSA will inform the ~~Authorised Firm~~Authorised Persons concerned that the waiver is available, either by contacting ~~Authorised Firm~~Authorised Persons individually or by publishing details of the availability of the waiver on the DFSA's website. An ~~Authorised Firm~~Authorised Person will

not have to make a formal application but will have to give its written consent for the waiver to apply.

Consent during application for authorisation

8. An applicant for authorisation may request a waiver whilst its application for authorisation is being processed. In some circumstances, the applicant may need to work with the DFSA in developing the waiver and may not be required to use the formal application process. However, the written consent to the waiver by the ~~Authorised Firm~~Authorised Person will then be required once the applicant is authorised.

Application of waived rules

9. If a waiver directs that a Rule is to apply to an ~~Authorised Firm~~Authorised Person with modifications, then contravention of the modified Rule could lead to the DFSA taking enforcement action.
10. If a waiver is given subject to a condition, the waiver will not apply to activities conducted in breach of the condition, and those activities, if in breach of the original Rule, could lead to enforcement action.

3.3 Publication of waivers

Guidance

1. Under the Regulatory Law 2004, unless the DFSA is satisfied that it is inappropriate or unnecessary to do so, it must publish a waiver in such a way as it considers appropriate for bringing the notice to the attention of:
 - a. those likely to be affected by it; and
 - b. others who may be likely to become subject to a similar notice.
2. The principal method of publication of waivers is by publication on the DFSA website.
3. If an ~~Authorised Firm~~Authorised Person believes there are reasonable grounds for the DFSA either to withhold publication or to publish the waiver without disclosing the identity of the ~~Authorised Firm~~Authorised Person it should make this clear in its application.

3.4 Continuing relevance of waivers

- 3.4.1** An ~~Authorised Firm~~Authorised Person must immediately notify the DFSA if it becomes aware of any material change in circumstances which could affect the continuing relevance of a waiver.

3.5 Withdrawal or variation of waivers

Guidance

Under Article 25, the DFSA may:

- a. on its own initiative or on the application of the person to whom it applies, withdraw a written notice; or
- b. on the application of, or with the consent of, the person to whom it applies, vary a written notice.

4 REQUIREMENT TO PROVIDE A REPORT

4.1 Application

4.1.1 This chapter applies to every ~~Authorised Firm~~Authorised Person.

Guidance

1. In summary, under Article 74, the DFSA may require an ~~Authorised Firm~~Authorised Person to provide it with a report on any matter.
2. The person appointed to make a report, must be a person nominated or approved by the DFSA. This person will be referred to throughout the Rulebook as an independent expert.
3. Where such a requirement has been made of an ~~Authorised Firm~~Authorised Person it must take all reasonable steps to ensure that any person who is providing or has provided services to the ~~Authorised Firm~~Authorised Person shall give all such assistance as the independent expert may reasonably require.
4. As outlined in Article 74, information given or a document produced is admissible in evidence in administrative and civil proceedings, provided that any such information or document also complies with any requirements relating to the admissibility of evidence in such proceedings.
5. An ~~Authorised Firm~~Authorised Person may appeal to the Regulatory Appeals Committee in respect of the requirement to provide a report.

4.2 Appointment and reporting process

- 4.2.1
- (1) The DFSA may, by sending a notice in writing, require an ~~Authorised Firm~~Authorised Person to provide a report by an independent expert. The DFSA may require the report to be in whatever form it specifies in the notice.
 - (2) The DFSA will give written notification to the ~~Authorised Firm~~Authorised Person of the purpose of its report, its scope, the timetable for completion and any other relevant matters.
 - (3) The independent expert must be appointed by the ~~Authorised Firm~~Authorised Person and be nominated or approved by the DFSA.
 - (4) The ~~Authorised Firm~~Authorised Person must pay for the services of the independent expert.

Guidance

1. If the DFSA decides to nominate the independent expert, it will notify the ~~Authorised Firm~~Authorised Person accordingly. Alternatively, if the DFSA is content to approve the independent expert selected by the ~~Authorised Firm~~Authorised Person it will notify it of that fact.
2. The DFSA will only approve an independent expert that in the DFSA's opinion has the necessary skills to make a report on the matter concerned.

4.3 Requirements

4.3.1 When an ~~Authorised Firm~~Authorised Person appoints an independent expert, the ~~Authorised Firm~~Authorised Person must ensure that:

- (a) the independent expert co-operates with the DFSA; and
- (b) the ~~Authorised Firm~~Authorised Person provides all assistance that the independent expert may reasonably require.

4.3.2 When an ~~Authorised Firm~~Authorised Person appoints an independent expert, the ~~Authorised Firm~~Authorised Person must, in the contract with the independent expert:

- (a) require and permit the independent expert to co-operate with the DFSA in relation to the ~~Authorised Firm~~Authorised Person and to communicate to the DFSA information on, or his opinion on, matters of which he has, or had, become aware of in his capacity as an independent expert reporting on the ~~Authorised Firm~~Authorised Person in the following circumstances:
 - (i) the independent expert reasonably believes that, as regards the ~~Authorised Firm~~Authorised Person concerned:
 - (A) there is or has been, or may be or may have been, a contravention of any relevant requirement that applies to the ~~Authorised Firm~~Authorised Person concerned; and
 - (B) that the contravention may be of material significance to the DFSA in determining whether to exercise, in relation to the ~~Authorised Firm~~Authorised Person concerned, any powers conferred on the DFSA under any provision of the Regulatory Law 2004;
 - (ii) the independent expert reasonably believes that the information on, or his opinion on, those matters may be of material significance to the DFSA in determining whether the ~~Authorised Firm~~Authorised Person

concerned satisfies and will continue to satisfy the fit and proper requirements; or

(iii) the independent expert reasonably believes that the ~~Authorised Firm~~Authorised Person is not, may not be, or may cease to be, a going concern;

(b) require the independent expert to prepare a report, as notified to the ~~Authorised Firm~~Authorised Person by the DFSA, within the time specified by the DFSA; and

(c) waive any duty of confidentiality owed by the independent expert to the ~~Authorised Firm~~Authorised Person which might limit the provision of information or opinion by that independent expert to the DFSA in accordance with (a) or (b).

4.3.3 An ~~Authorised Firm~~Authorised Person must ensure that the contract required under Rule 4.3.2:

(a) is governed by the laws of the DIFC;

(b) expressly provides that the DFSA has a right to enforce the provisions included in the contract under Rule 4.3.2;

(c) expressly provides that, in proceedings brought by the DFSA for the enforcement of those provisions, the independent expert is not to have available by way of defence, set-off or counter claim any matter that is not relevant to those provisions;

(d) if the contract includes an arbitration agreement, expressly provides that the DFSA is not, in exercising the right in (b) to be treated as a party to, or bound by, the arbitration agreement; and

(e) provides that the provisions included in the contract under Rule 4.3.2 are irrevocable and may not be varied or rescinded without the DFSA's consent.

5 IMPOSING RESTRICTIONS

5.1 Application

5.1.1 This chapter applies to every ~~Authorised Firm~~Authorised Person.

Guidance

1. Article 75 provides the DFSA with the power to impose restrictions on an ~~Authorised Firm~~Authorised Person's business. This includes prohibiting an ~~Authorised Firm~~Authorised Person from entering into specific or certain types of transactions, from soliciting business from specific or certain types of person or from carrying on business in a specific manner. The DFSA may also require an ~~Authorised Firm~~Authorised Person to carry on business in, and only in, a specified manner.
2. Article 76 provides the DFSA with the power to prohibit or require an ~~Authorised Firm~~Authorised Person to deal with any relevant property in a certain manner.
3. The DFSA may exercise its powers to impose a prohibition or requirement in the circumstances prescribed in the Rules.
4. The DFSA is conscious that the decision to exercise these powers will have a significant impact on the ~~Authorised Firm~~Authorised Person and accordingly will only do so in exceptional circumstances.

5.2 Restrictions on an ~~Authorised Firm~~Authorised Person's business or on an ~~Authorised Firm~~Authorised Person dealing with property

5.2.1 The DFSA has the power to impose a prohibition or requirement on an ~~Authorised Firm~~Authorised Person in relation to the ~~Authorised Firm~~Authorised Person's business or in relation to the ~~Authorised Firm~~Authorised Person dealing with property under Article 75 or Article 76 in circumstances where:

- (a) there is a reasonable likelihood that the ~~Authorised Firm~~Authorised Person will contravene a requirement of any legislation applicable in the DIFC;
- (b) the ~~Authorised Firm~~Authorised Person has contravened a relevant requirement and there is a reasonable likelihood that the contravention will continue or be repeated;
- (c) there is loss, risk of loss, or other adverse effect on the ~~Authorised Firm~~Authorised Person's customers;

- (d) an investigation is being carried out in relation to an act or omission by the ~~Authorised Firm~~Authorised Person that constitutes or may constitute a contravention of any applicable law or Rule;
- (e) enforcement action has commenced against the ~~Authorised Firm~~Authorised Person for a contravention of any applicable law or Rule;
- (f) civil proceedings have commenced against the ~~Authorised Firm~~Authorised Person;
- (g) the ~~Authorised Firm~~Authorised Person or any Employee of the ~~Authorised Firm~~Authorised Person may be or has been engaged in market abuse;
- (h) the ~~Authorised Firm~~Authorised Person is subject to a merger;
- (i) a meeting has been called to consider a resolution for the winding up of the ~~Authorised Firm~~Authorised Person;
- (j) an application has been made for the commencement of any insolvency proceedings or the appointment of any receiver, administrator or provisional liquidator under the law of any country for the ~~Authorised Firm~~Authorised Person;
- (k) there is a notification to dissolve the ~~Authorised Firm~~Authorised Person or strike it from the DIFC Registrar of Companies or the comparable register in another jurisdiction;
- (l) there is information to suggest that the ~~Authorised Firm~~Authorised Person is involved in financial crime; or
- (m) the DFSA considers that this prohibition or requirement is necessary to ensure customers, users, ~~Authorised Firm~~Authorised Persons or the financial system are not adversely affected.

5.3 Procedure to restrict an ~~Authorised Firm~~Authorised Person's business or property

Guidance

1. Where possible an ~~Authorised Firm~~Authorised Person will receive an opportunity to make representations prior to the DFSA imposing a restriction on its business or property unless the DFSA concludes that any delay likely to arise as a result of such requirement is prejudicial to the interests of the DIFC. When making a representation the process in ENF App3 should be followed.

- | 2. An ~~Authorised Firm~~Authorised Person may appeal to the Regulatory Appeals Committee in respect of a restriction imposed on its business or property.

- 3. When the DFSA imposes a restriction it will do so in writing setting out:
 - a. the restriction on the business or property;
 - b. the date and time when the restriction takes effect;

 - c. where applicable, the duration of the restriction;
 - d. the reasons for the restriction; and

- | e. the fact that the ~~Authorised Firm~~Authorised Person may appeal to the Regulatory Appeals Committee.

7 NOTIFICATIONS

7.1 Application

7.1.1 This chapter applies to every Authorised Firm/Authorised Person with respect to the carrying on of Financial Services and any other activities whether financial or not.

Guidance

1. This chapter sets out Rules on specific events, changes or circumstances that require notification to the DFSA and outlines the process and requirements for notifications.
2. The list of notifications outlined in this chapter is not exhaustive. Other areas of the Rulebook may also detail additional notification requirements.
3. An Authorised Firm/Authorised Person and its auditor are also required under Article 67 to disclose to the DFSA any matter which may indicate a breach or likely breach, a failure or likely failure to comply with laws or Rules. An Authorised Firm/Authorised Person is also required to establish and implement systems and procedures to enable its compliance and compliance by its auditor with notification requirements.

7.2 Core information

7.2.1 An Authorised Firm/Authorised Person must provide the DFSA with reasonable advance notice of a change in:

- (a) the Authorised Firm/Authorised Person's name;
- (b) any business or trading name under which the Authorised Firm/Authorised Person carries on a Financial Service in or from the DIFC;
- (c) the address of the Authorised Firm/Authorised Person's principal place of business in the DIFC;
- (d) in the case of a Branch, its registered office or head office address;
- (e) its legal structure; or
- (f) an Authorised Individual's name or any material matters relating to his fitness and propriety.

- 7.2.2** A Domestic Firm must provide the DFSA with reasonable advance notice of the establishment or closure of a branch office anywhere in the world from which it carries on financial services.

Guidance

Authorised Firms should refer to AUT in respect of notification requirements in relation to fitness and propriety and change in control matters.

7.3 Regulatory impact

- 7.3.1** An ~~Authorised Firm~~Authorised Person must advise the DFSA immediately it becomes aware, or has reasonable grounds to believe, that any of the following matters may have occurred or may be about to occur:

- (a) the ~~Authorised Firm~~Authorised Person's failure to satisfy the fit and proper requirements;
- (b) any matter which could have a significant adverse effect on the ~~Authorised Firm~~Authorised Person's reputation;
- (c) any matter in relation to the ~~Authorised Firm~~Authorised Person which could result in serious adverse financial consequences to the financial system or to other firms;
- (d) a significant breach of a Rule by the ~~Authorised Firm~~Authorised Person or any of its Employees;
- (e) a breach of any requirement imposed by any applicable law by the ~~Authorised Firm~~Authorised Person or any of its Employees;
- (f) any proposed restructuring, merger, acquisition, reorganisation or business expansion which could have a significant impact on the ~~Authorised Firm~~Authorised Person's risk profile or resources;
- (g) any significant failure in the ~~Authorised Firm~~Authorised Person's systems or controls, including a failure reported to the ~~Authorised Firm~~Authorised Person by the firm's auditor;
- (h) any action that would result in a material change in the capital adequacy or solvency of the ~~Authorised Firm~~Authorised Person; or

- (i) non-compliance with Rules due to an emergency outside the Authorised Firm/Authorised Person's control and the steps being taken by the Authorised Firm/Authorised Person.

Guidance

The DFSA would also require notification of the implementation, or planned implementation of major new or revised IT systems or new technology affecting the Authorised Firm/Authorised Person's business, risk profile or resources.

7.4 Fraud and errors

7.4.1 An Authorised Firm/Authorised Person must notify the DFSA immediately if one of the following events arises in relation to its activities in or from the DIFC:

- (a) it becomes aware that an Employee may have committed a fraud against one of its customers or users;
- (b) a serious fraud has been committed against it;
- (c) it has reason to believe that a Person is acting with intent to commit a serious fraud against it;
- (d) it identifies significant irregularities in its accounting or other records, whether or not there is evidence of fraud; or
- (e) it suspects that one of its Employees who is connected with the Authorised Firm/Authorised Person's Financial Services may be guilty of serious misconduct concerning his honesty or integrity.

7.5 Other regulators

7.5.1 An Authorised Firm/Authorised Person must advise the DFSA immediately of:

- (a) the granting or refusal of any application for or revocation of authorisation to carry on financial services in any jurisdiction outside the DIFC;
- (b) the granting, withdrawal or refusal of an application for, or revocation of, membership of the Authorised Firm/Authorised Person of any regulated exchange or clearing house;

- (c) the ~~Authorised Firm~~Authorised Person becomes aware that a Financial Services Regulator has started an investigation into the affairs of the ~~Authorised Firm~~Authorised Person;
- (d) the appointment of inspectors, howsoever named, by a Financial Services Regulator to investigate the affairs of the ~~Authorised Firm~~Authorised Person; or
- (e) the imposition of disciplinary measures or disciplinary sanctions on the ~~Authorised Firm~~Authorised Person in relation to its financial services by any Financial Services Regulator or any regulated exchange or clearing house.

7.6 Action against an ~~Authorised Firm~~Authorised Person

7.6.1 An ~~Authorised Firm~~Authorised Person must notify the DFSA immediately if:

- (a) civil proceedings are brought against the ~~Authorised Firm~~Authorised Person and the amount of the claim is significant in relation to the ~~Authorised Firm~~Authorised Person's financial resources or its reputation; or
- (b) the ~~Authorised Firm~~Authorised Person is prosecuted for, or convicted of, any offence involving fraud or dishonesty, or any penalties are imposed on it for tax evasion.

7.7 Winding up, bankruptcy and insolvency

7.7.1 An ~~Authorised Firm~~Authorised Person must notify the DFSA immediately on:

- (a) the calling of a meeting to consider a resolution for winding up the ~~Authorised Firm~~Authorised Person;
- (b) an application to dissolve the ~~Authorised Firm~~Authorised Person or to strike it from the register, maintained by the DIFC Registrar of Companies, or a comparable register in another jurisdiction;
- (c) the presentation of a petition for the winding up of the ~~Authorised Firm~~Authorised Person;
- (d) the making of, or any proposals for the making of, a composition or arrangement with creditors of the ~~Authorised Firm~~Authorised Person; or

- | (e) the application of any person against the Authorised Person for the commencement of any insolvency proceedings, appointment of any receiver, administrator or provisional liquidator under the law of any country.

7.8 Change in an Authorised Firm's financial year end

Guidance

1. GEN Rule 8.3.5 requires a Domestic Firm to obtain DFSA consent prior to implementing a change to its financial year end.
2. GEN Rule 8.3.6 requires an Authorised Firm which is not a Domestic Firm to provide the DFSA with reasonable advance notice when it intends to change its financial year.

7.9 Accuracy of information

Guidance

Article 66 states that a person shall not:

- a. provide information that is false, misleading or deceptive to the DFSA; or
- b. conceal information where the concealment of such information is likely to mislead or deceive the DFSA.

- | **7.9.1** An ~~Authorised Firm~~Authorised Person must take reasonable steps to ensure that all information that it provides to the DFSA in accordance with any legislation applicable in the DIFC is:

- (a) factually accurate or, in the case of estimates and judgements, fairly and properly based; and
- (b) complete, in that it should include anything of which the DFSA would reasonably expect to be notified.

- | **7.9.2** (1) An ~~Authorised Firm~~Authorised Person must notify the DFSA immediately it becomes aware, or has information that reasonably suggests, that it:

- (a) has or may have provided the DFSA with information which was or may have been false, misleading, incomplete or inaccurate; or
- (b) has or may have changed in a material particular.

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- (2) Subject to (3) the notification in (1) must include details of the information which is or may be false or misleading, incomplete or inaccurate, or has or may have changed and an explanation why such information was or may have been provided and the correct information.
 - (3) If the correct information in (2) cannot be submitted with the notification it must be submitted as soon as reasonably possible.

7.10 Provision of notifications

- 7.10.1 (1) Unless a Rule states otherwise, an ~~Authorised Firm~~Authorised Person must ensure that each notification it provides to the DFSA is:
 - (a) in writing and contains the ~~Authorised Firm~~Authorised Person's name and license number; and
 - (b) addressed for the attention of (in the case of an Authorised Firm) the Supervision Division-Department and (in the case of an Authorised Market Institution) the Markets Department and delivered to the DFSA by:
 - (i) post to the current address of the DFSA;
 - (ii) hand delivered to the current address of the DFSA;
 - (iii) electronic mail to an address provided by the DFSA; or
 - (iv) faxed to a fax number provided by the DFSA.
- (2) In (1)(b)~~(ii),(iii) and (iv)~~ confirmation of receipt must be obtained.

8 REPORTING

8.1 Application

8.1.1 This chapter applies to every ~~Authorised Firm~~Authorised Person.

Guidance

1. The purpose of this chapter is to outline the process and requirements that must be followed when making a report to the DFSA.
2. Other sections of the Rulebook outline the specific reports that must be provided and states the due date, frequency, timeframe for delivery and the contents that are required in the report.
3. In order to discharge its obligations and meet its objectives under the Regulatory Law 2004, the DFSA requires timely and accurate information about an ~~Authorised Firm~~Authorised Person.

8.2 Provision of regulatory reports

- 8.2.1 (1) Unless a Rule states otherwise, an ~~Authorised Firm~~Authorised Person must ensure that each report it provides to the DFSA is:
- (a) in writing and contains the Authorised Firm name and licence number; and
 - (b) addressed for the attention of (in the case of an Authorised Firm) the Supervision Division-Department and (in the case of an Authorised Market Institution) the Markets Department and delivered to the DFSA by:
 - (i) post to the current address of the DFSA;
 - (ii) hand delivered to the current address of the DFSA;
 - (iii) electronic mail to an address provided by the DFSA; or
 - (iv) faxed to a fax number provided by the DFSA.
- (2) In (1)(b) ~~(ii), (iii) and (iv)~~ confirmation of receipt must be obtained.

- (3) If the report is submitted in paper form, it must be submitted with the cover sheet contained in PFN.