

Annex A

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



The DFSA Rulebook

Conduct of Business Module

(COB)

6.9 Marketing and selling Units of a Foreign Fund

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Prospectus requirements

- 6.9.2** ~~(1) Where an Authorised Firm enters into any Transaction relating to the Units of a Foreign Fund, it must ensure that: [Amended][VER7/08-06]~~
- ~~(a) a Prospectus, in the English language, relating to the Units of the Foreign Fund is offered to the Client before entering into that Transaction; and~~
 - ~~(b) the information requirements in (2) are met.~~

[Added][VER7/08-06]

- (1) An Authorised Firm must ensure, before it enters into any Transaction relating to the Units of a Foreign Fund, that it:
- (a) offers to the Client the relevant Fund's Prospectus, which must be in the English language and contain the information required pursuant to (2) and, if applicable, (3); or
 - (b) has provided the information required under (4).
- ~~(2) The Authorised Firm may comply with the information requirements for the purposes of (1)(b) by meeting the requirements in (3) or (4). [Added][VER7/08-06]~~
- (2)(3) The Authorised Firm must ensure that the Prospectus contains in a prominent position or has attached to it, a statement that describes clearly:
- (a) the regulatory status afforded to the Fund by the foreign Regulator;
 - (b) the foreign jurisdiction and the legislation in that jurisdiction that applies to the Fund;
 - (c) the name of the Regulator; and
 - (d) the following warning:

[Amended][VER7/08-06]

“This Prospectus relates to a Fund which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (“DFSA”).

This Prospectus is intended for distribution only to Persons of a type specified in the DFSA's Rules (i.e. "Qualified Investors") and must not, therefore, be delivered to, or relied on by, any other type of Person.

The DFSA has no responsibility for reviewing or verifying any Prospectus or other documents in connection with this Fund. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it.

The Units to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Units offered should conduct their own due diligence on the Units.

If you do not understand the contents of this document you should consult an authorised financial adviser."

- (3) In respect of an Islamic Fund which is specified in App 7, an Authorised Firm must ensure that the Prospectus contains in a prominent position or has attached to it the statement prescribed under App 7.
- (4) The Authorised Firm may satisfy the information requirement for the purposes of (1)(b) by entering into a prior agreement with the Client where:
- (a) that agreement sets out in substance the information to the effect set out in (32) in respect of the Transactions which the Authorised Firm may enter into for or on behalf of the Client in relation to Units of Foreign Funds; and
 - (b) the Authorised Firm provides confirmation of that information on an annual basis in respect of each Foreign Fund the Units of which have been the subject of any Transactions the Authorised Firm had entered into for or on behalf of that Client during the preceding year.

[Added][VER7/08-06]

- 6.9.3** An Authorised Firm must, when undertaking Transactions in respect of any Units of a Foreign Fund, have at its place of business in the DIFC copies in English of the relevant Prospectus for inspection by potential participants and the DFSA. Such copies may be stored electronically so long as potential participants and the DFSA can easily and immediately access the relevant Prospectus for inspection and print out a hard copy. [Amended][VER7/08-06]

App 7 ADDITIONAL PROSPECTUS DISCLOSURES FOR FOREIGN FUNDS

A7.1 Shari'a approval process statement

A7.1.1 (1) In respect of an Islamic Fund which is an approved Malaysian Fund, an Authorised Firm must ensure that the Prospectus contains in a prominent position or has attached to it the following statement:

“This Prospectus relates to an Islamic Fund, the Shari'a approval process of which is regulated by the Securities Commission of Malaysia.”

(2) For the purposes of (1), an “approved Malaysian Fund” is a Designated Fund that is a Fund approved under section 32 of the Securities Commission Act 1993 of Malaysia by the Securities Commission of Malaysia and domiciled in the Recognised Jurisdiction of Malaysia.