



GLOSSARY (GLO)

*In this attachment underlining indicates new text and striking through indicates deleted text.

1. INTRODUCTION

1.1 Application

1.1.1 This Rulebook ("**GLO**") applies to every Person to whom any of the Rulebooks apply.

1.2 Defined Terms

1.2.1 In the Rulebooks:

- (1) a word or phrase which is defined in GLO is a defined term and has the meaning given in GLO; and
- (2) a word or phrase which relates to a defined term must be interpreted accordingly.

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Defined Terms	Definitions
<u>Approved Assets</u>	<p><u>Means</u></p> <p>(1) <u>A certificate of deposit with a maximum term to maturity of six months issued by and held with an Eligible Bank;</u></p> <p>(2) <u>a term deposit with an Eligible Bank with a remaining term to maturity of one year or less;</u></p> <p>(3) <u>a negotiable debt instrument, with a remaining term to maturity of five years or less, where the instrument, or issuer thereof, is Rated at least AA by Standard & Poor's, or the equivalent by another rating agency;</u></p> <p>(4) <u>a repurchase agreement which is fully collateralised with negotiable debt instruments meeting the rating criterion in (3), and where the credit rating of the counterparty also meets the criteria; or a bond fund meeting the rating criterion in (3) and where the designated bank account for redeemed investment is the an Insurance Bank Account held by the Authorised Firm in accordance with the requirement of COBS Rule 7.11.6.</u></p>
<u>Assets Requirement</u>	<u>Has the meaning given in FSMR.</u>
Client	Means a Retail Client, <u>or</u> Professional Client or Market Counterparty as defined in COBS 2.
Client Account	In relation to: (a) Client Money and Relevant Money, means an account as described in COBS <u>14.6.1</u> 14.2.5(a) ; and

	(b) a Safe Custody <u>Asset Investment</u> , means an account specified in COBS 15.4.2
Client Money	Means money of any currency which an Authorised Person holds on behalf of a Client (including any receivables of the Authorised Person in respect of bank accounts or clearing or brokerage accounts) or which an Authorised Person treats as Client Money, subject to the exclusions in COBS 14.3.1.
Client Money Distribution Rules	Has the meaning given in COBS 14.13.
Client Money Rules	Means the Rules in COBS 14.2 relating to the holding of Client Money.
Companies Regulations	Means the ADGM Companies Regulations 2015 <u>2020</u> .
<u>Credit Rating</u>	<u>Has the meaning given in COBS Rule 9.1.2(b).</u>
<u>Credit Rating Subject</u>	<u>Has the meaning given in COBS 9.1.2(c).</u>
<u>Deemed Trust</u>	<u>Has the meaning given in COBS 14.12.1.</u>
Designated Client Account	Means a Client Account in which an Authorised Person holds or controls Client Money belonging to a designated Client.
Designated Client Fund Account	Means a Client Account where: (a) the account holds at least part of the Client Money of one or more Clients, each of whom has consented to that money being held in the same Client Accounts at the same banks (the Client Money of such Clients constituting a designated fund); (b) the account includes in its title the words "designated fund"; and (c) in the event of the Failure of a bank with which part of a designated fund is held, each Designated Client Fund Account held with the Failed bank will form a pool with any other Designated Client Fund Account containing part of that same designated fund unless a Primary Pooling Event occurs.
<u>E-Money or Electronic Money</u>	<u>Has the meaning given in FSMR</u>
Electronic Money Institution	Means an undertaking or any other legal person that issues payment in the form of <u>E</u> lectronic <u>M</u> oney.
<u>Eligible Bank</u>	<u>Means:</u> <u>(a) a Bank;</u> <u>(b) a legal entity that is authorised to accept deposits and supervised by the Central Bank; or</u>

	<p><u>(c) a legal entity that is authorised to accept deposits and supervised by a Non-ADGM Financial Services Regulator and rated at least A- by Standard & Poor's, or the equivalent by another Rating Agency.</u></p>
Eligible Custodian	<p>Has the meaning given in FSMR. Means a Person who is a separate legal entity from the Authorised Person which engages it to Provide Custody and who also meets one of the following criteria:</p> <p>(a) an Authorised Person whose Financial Services Permission authorises it to Provide Custody;</p> <p>(b) an Authorised Person that is a Bank;</p> <p>(c) a Recognised Body or Remote Body;</p> <p>(d) a legal entity that is authorised and supervised by a Non-ADGM Financial Services Regulator in a Recognised Jurisdiction for providing custody services in respect of a Fund and is subject to a minimum capital requirement of \$4 million or its equivalent in any other currency at the relevant time and has had surplus revenue over expenditure for the last two financial years;</p> <p>(e) a legal entity where it, or its holding company, is:</p> <p>(i) in respect of its financial strength, rated or graded as at least "investment grade" by Moody's, Fitch or Standard & Poor's or such other international rating agency as may be recognised by the Regulator; and</p> <p>(ii) authorised and supervised by a Non-ADGM Financial Services Regulator in another jurisdiction which is a Zone 1 country;</p> <p>(f) a legal entity that is authorised or recognised by a Non-ADGM Financial Services Regulator to operate as an exchange or a clearing house in a Recognised Jurisdiction;</p> <p>(g) a legal entity that is and remains:</p> <p>(i) controlled and wholly owned by one or more of the national governments of the six member states of the Gulf Cooperation Council;</p> <p>(ii) authorised and supervised by a Non-ADGM Financial Services Regulator or Central Bank of at least one of the said national governments; and</p> <p>(iii) rated or graded as at least "investment grade" by Moody's, Fitch or Standard & Poor's or such other international rating agency as may be recognised by the Regulator; or</p> <p>(h) any other legal entity otherwise acceptable to the Regulator.</p>
<u>Insolvency Regulations</u>	<p><u>Means the Insolvency Regulations 2022.</u></p>

Insurance Intermediary	Means an Authorised Person who is authorised to carry on the Regulated Activity of Insurance Intermediation Management.
Investment Manager	Means a Person who, acting only on behalf of a Client: (a) manages Investments in an account or portfolio on a discretionary basis under the terms of a Discretionary <u>Portfolio Management Agreement</u> ; or (b) manages Investments in an account or portfolio on a non-discretionary basis under the terms of a non-discretionary management agreement.
Market Counterparty	Means a type of <u>Professional Client</u> specified under COBS 2.5
Money	Means any form of money, including banknotes, coins, cheques, E electronic <u>M</u> money and any other non-cash form, such as payable orders.
Non-ADGM Financial Service Regulator	Has the meaning given in FSMR. Means a regulator of financial services activities established in a jurisdiction other than the ADGM.
Non-ADGM Regulator	Has the meaning given in FSMR.
Pooling Event	Has the meaning given in COBS 14.13.3. Means either a Primary Pooling Event or a Secondary Pooling Event.
Primary Pooling Event	Has the meaning given in COBS 14.4.2(b).
Regulatory Filings	Means the return or report to be submitted to the Regulator, in relation to: (a) AML, in accordance with Rule 4.6.1; (b) CIB, in accordance with Rules 2.3.5(3), (4) and (5), 2.3.7, 2.3.8, 7.2.3, 7.3.2, 7.3.3, and 7.3.5; (c) COBS, in accordance with Rules 14.2.3(d), 14.2.13, and 15.10; (c) GEN, in accordance with Rules 6.6. 6 <u>4</u> , 6.6. 7 <u>2</u> , and 8.8.12; (d) PIN, in accordance with Rules 6.6.1, 6.6.7, 6.7.2(1), 7.2.3 and 7.3.5; (e) PRU, in accordance with Rules 2.3.7, 3.21.1, 10.3.2(3) and 10.4.2(3).
Safe Custody Investments or Safe Custody Assets	Means a designated Client Investment, which is not the property of the Authorised Person, which is held or to be held for safekeeping by an Authorised Person or Third Party Agent.
Secondary Pooling Event	Has the meaning given in COBS 14.4.5.

Segregated Client	<p>Means, in relation to COBS:</p> <p>(a) a Client whose money is treated by an Authorised Person as Client Money; or</p> <p>(b) a Payment Service User whose money is treated by an Authorised Person as Relevant Money.</p>
Skilled Person	<p>Has the meaning given in FSMR. Means a Person nominated or approved by the Regulator to make a report at the request of the Regulator on behalf of an Authorised Person or Recognised Body.</p>
Statutory Trust	<p>Has the meaning given in COBS 14.2.15.</p>
<u>Title Transfer Collateral Agreement</u>	<p><u>Means an agreement whereby a Client transfers ownership of a Safe Custody Asset or Client Money (or an asset that would be a Safe Custody Asset or Client Money but for the arrangement) to an Authorised Person or a Nominee Company for the purpose of securing or otherwise covering present or future, contingent or actual obligations.</u></p>