



AMENDMENTS No. 4 AIFC CONDUCT OF BUSINESS RULES

Approval Date: 6 August 2019

Commencement Date: 7 August 2019

Nur-Sultan, Kazakhstan



In this section, the underlining indicates a new text and the striking through indicates deleted text in the proposed amendments.

1. APPLICATION

(...)

1.2. Modifications and exclusions

(...)

1.2.4. Application in respect of Trust Service Providers

The requirements in COB do not generally apply to Trust Service Providers, with the exception of COB 3 (Communications with Clients and Financial Promotions), COB 4 (Key Information and Client Agreement), COB 5.2 (Suitability Assessments), COB 7 (Conflicts of Interest), COB 12 (Trust Service Providers), and COB 15 (Record Keeping).

5. CONDUCT OF INVESTMENT BUSINESS

5.1. Application

5.1.1. Application of requirement to assess suitability

COB 5.2 applies where an Authorised Firm:

- (a) Advises on Investments; ~~or~~
- (b) Manages Investments; or
- (c) Provides Trust Services (subject to COB 5.2.8).

5.2. Suitability assessment

5.2.1. Requirement to assess suitability

When Advising on Investments, ~~or~~ Managing Investments for a Client or Providing Trust Services, an Authorised Firm must take reasonable steps to ensure that any recommendation of a service or recommendation ~~or~~ decision to trade on behalf of a Client is suitable for the Client.

5.2.2. Nature of suitability assessment

When making its recommendation of a service or recommendation or decision to trade on behalf of a Client, the Authorised Firm must assess the Client's:

- (a) investment or other objectives;
- (b) financial situation; and
- (c) knowledge and experience in relation to the type of Investment or Investment Service concerned, so as to ensure that the recommendation or decision to trade is suitable for that particular Client.