



# **AMENDMENTS No. 8 AIFC MARKET RULES**

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**Astana, Kazakhstan**



In this document, underlining indicates a new text and strikethrough indicates a removed text.

(...)

## 5.1 Definition of Market Abuse

### 5.1.1 Conduct amounting to Market Abuse

The following conduct, wherever it occurs and whether engaged or participated in directly or indirectly, amounts to Market Abuse for the purposes of section 86 of the Framework Regulations:

(...)

### 5.1.2 Conduct not amounting to Market Abuse

The following conduct does not amount to Market Abuse for the purposes of section 86 of the Framework Regulations:

- (a) disclosure of Inside Information made in the course of a Market Sounding;
- (b) the behaviour described in MAR 5.3.4 to 5.3.6; ~~and~~
- (c) accepted market practices established under MAR 5.4.4; and
- (d) conduct of another activity which occurs outside the AIFC unless it affects the AIFC markets or their users.

## 5.2 Definition of Inside Information

### 5.2.1 Definition of Inside Information (general)

Inside information is information of a precise nature which:

- (a) has not been made public;
- (b) relates directly or indirectly, to one or more Issuers or to one or more ~~Securities~~ Investments; and
- (c) would, if it were made public, be likely to have a significant effect on the prices of those ~~Securities~~ Investments or on the price of related ~~derivative Securities~~ Investments.

(...)

### 5.2.2 Definition of Inside Information (execution of orders)

For Persons charged with the execution of orders concerning ~~Securities~~ Investments, Inside Information:

- (a) has the meaning given in MAR ~~5.2.2~~ 5.2.1 (Definition of Inside Information (general)); and
- (b) is information conveyed by a client and relating to the client's pending orders in ~~Securities~~ Investments which:
  - (i) is of a precise nature; and



- (ii) relates directly or indirectly, to one or more Issuers or to one or more Securities Investments; and
- (iii) if it were made public, would be likely to have a significant effect on the prices of those Securities Investments, the price of related spot commodity contracts, or on the price of related ~~derivative~~ Securities Investments.

### 5.2.3 Definition of Information of a 'precise nature'

Information will be deemed to be of a precise nature if it:

- (a) indicates a set of circumstances which exists, or which may reasonably be expected to come into existence, or an event which has occurred, or which may reasonably be expected to occur; and
  - (b) is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the Securities Investments or the related ~~derivative~~ Securities Investments.
- (...)

### 5.2.4 Definition of Information likely to have a 'significant effect'

Information which, if it were made public, would be likely to have a significant effect on the prices of Securities Investments means information which a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

(...)

## 5.3 Insider Dealing

### 5.3.1 Definition of Insider Dealing

The following amount to Insider Dealing:

- (a) the use, by a Person who possesses Inside information, of that information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, Securities Investments to which that information relates; or
- (b) the use of Inside Information by cancelling or amending an order concerning a ~~Security~~ Investments to which the information relates where the order was placed before the Person concerned possessed the Inside Information; or
- (c) the use of recommendations or inducements to engage in Insider Dealing MAR 5.3.2 (Recommending or Inducing Insider Dealing), where the Person using the recommendation or inducement knows or ought to know that it is based on Inside Information.

### 5.3.2 Recommending or Inducing Insider Dealing

A Person ('A') recommends another Person ('B') to engage in Insider Dealing or induces B to engage in Insider Dealing, where A possesses Inside Information and:

- (a) recommends, on the basis of that information, that B acquires or disposes of Securities Investments to which that information relates, or induces B to make such an acquisition or disposal; or



- (b) recommends, on the basis of that information, that B cancels or amends an order concerning a Security Investments to which that information relates or induces B to make such a cancellation or amendment.

(...)

#### 5.3.4 Behaviour that does not constitute Insider Dealing

A Person ('A') who is or who has been in possession of Inside Information will not be deemed to have used that information for acquisition or disposition of Securities Investments merely because A is or was in possession of Inside Information:

- (a) Where A is a legal Person and A:

- (i) has established, implemented and maintained adequate and effective internal arrangements and procedures that effectively ensure that neither the natural Person who made the decision on its behalf to acquire or dispose of Securities Investments to which the information relates, nor another natural Person who may have had an influence on that decision, was in possession of the Inside Information; and
- (ii) has not encouraged, made a recommendation to, induced or otherwise influenced the natural Person who, on behalf of the legal Person, acquired or disposed of Securities Investments to which the information relates-;

- (b) Where A:

- (i) for the Security Investments to which the information relates, is a Market Maker or a Person authorised to act as a counterparty, and the acquisition or disposal of Securities Investments to which that information relates is made legitimately in the normal course of the exercise of its function as a market maker or as a counterparty for ~~that Security~~ those Investments; or
- (ii) is authorised to execute orders on behalf of third parties and the acquisition or disposal of Securities Investments to which the order relates, is made to carry out such an order legitimately in the normal course of the exercise of that Person's employment, profession or duties;

- (c) Where A conducts a transaction to acquire or dispose of Securities Investments and that transaction is carried out in the discharge of an obligation that has become due in good faith and not to circumvent the prohibition against Insider Dealing and:

- (i) that obligation results from an order placed or an agreement concluded before the Person concerned possessed Inside Information; or
- (ii) that transaction is carried out to satisfy a legal or regulatory obligation that arose, before the Person concerned possessed Inside Information.

(...)

#### 5.3.6 Behaviour that does not constitute Insider Dealing – use of own knowledge

The mere fact that a Person uses its own knowledge that it has decided to acquire or dispose of Securities Investments in the acquisition or disposal of those Securities Investments will not of itself constitute use of Inside Information.

(...)