

Regulatory Announcement Service: Approval Criteria under MKT 4.7.1 (c)

1. Application

1.1 These criteria address:

- (1) a Regulatory Announcement Service;
- (2) a person applying for approval as a Regulatory Announcement Service.

2. Application for approval as a Regulatory Announcement Service

2.1 A person wanting to be approved as a Regulatory Announcement Service and be included on the DFSA's list of Regulatory Announcement Services must apply to the DFSA by submitting the following to the DFSA Markets Division at the DFSA's address:

- (1) details of all the connections that it has established, or it intends to establish, with media in the United Arab Emirates and other relevant jurisdictions;
- (2) details of the fees it proposes to charge persons submitting market disclosure for dissemination;
- (3) a report by a reporting accountant qualified to act as an auditor of the matters set out in criteria 3.1 – 3.23 and 4.1 – 4.10;
- (4) all additional documents, explanations and information the DFSA requires.

2.2 For these criteria, 'media' means a news vendor that receives, via an information feed, a market disclosure from a Regulatory Announcement Service and then disseminates that information to the public as soon as possible.

2.3 When considering an application for approval as a Regulatory Announcement Service the DFSA may:

- (1) carry out any enquiries and request any further information which it considers appropriate, including consulting other regulators;
- (2) ask the applicant or its specified representative to answer questions and explain any

- matter the DFSA considers relevant to the application;
- (3) take into account any information which it considers appropriate to the application; and
- (4) request that any information provided by the applicant is verified in such a manner as the DFSA may specify.

Grant of approval

2.4 Approval as a Regulatory Announcement Service becomes effective only when the DFSA adds the name of the person who has been approved as a Regulatory Announcement Service to the DFSA's list of Regulatory Announcement Services as published on its website.

3. Criteria for approval as a Regulatory Announcement Service

- 3.1 The DFSA will approve a person as a Regulatory Announcement Service only if it is satisfied that the person can disclose a market disclosure in a manner ensuring fast access to such information on a non-discriminatory basis.
- 3.2 The DFSA will be likely to consider that a person can disseminate a market disclosure in this manner, if the person meets the criteria set out in 3.3 – 3.23 and 4.1 – 4.10.

Operational hours

- 3.3 A Regulatory Announcement Service must be able to:
 - (1) receive a market disclosure 24 hours a day, seven days a week; and
 - (2) disseminate a market disclosure at least between one hour prior to opening of trading and two hours after close of trading of the DIFC market to which the securities of the Reporting Entity have been admitted.

Dissemination of information to media and DFSA

- 3.4 A Regulatory Announcement Service must establish and maintain connections to:
 - (1) media in the UAE and to at least two international news wires; and,
 - (2) must be able to send market disclosures to the DFSA at the same time the market disclosure is released to the media.

Receiving market disclosures

3.5 A Regulatory Announcement Service must be capable of receiving and releasing to the media to which it is connected a market disclosure in the English language that has been submitted by:

- (1) a Reporting Entity;
- (2) an entity acting as agent for an issuer;
- (3) the DFSA; and
- (4) any other entity or person required to submit a market disclosure.

3.6 A Regulatory Announcement Service must disseminate to the media to which it is connected any market disclosure it receives from the DFSA.

Validation of input

3.7 A Regulatory Announcement Service must have adequate systems and controls to ensure that:

- (1) there is certainty about:
 - (a) the identity of any Reporting Entity or other person that communicates, to the Regulatory Announcement Service, a market disclosure on behalf of a Reporting Entity;
 - (b) if different from (a), the identity of the Reporting Entity on whose behalf the market disclosure is submitted; and
 - (c) the authority of the person to submit the market disclosure on behalf of the Reporting Entity;
- (2) there is no significant risk of data corruption in the input process; and,
- (3) there is no unauthorised access to unpublished information received by it.

Processing

3.8 A Regulatory Announcement Service must have adequate systems and controls to ensure that a market disclosure is processed securely. This means that a Regulatory Announcement Service should:

- (1) have a working environment that is secure;
- (2) have computer-based systems that incorporate access controls; and
- (3) record external telephone calls concerning market disclosures.

3.9 A Regulatory Announcement Service must have adequate systems and controls to prevent the misuse of a market disclosure by any of its staff. This means that a Regulatory Announcement Service should, through appropriate terms in its contracts of employment, ensure that all staff that have access to market disclosures owe a duty of confidentiality to the Regulatory Announcement Service.

Embargo of market disclosures

3.10 A Regulatory Announcement Service must have systems to embargo a market disclosure for release at a date and time specified by the person that has submitted the information.

3.11 A Regulatory Announcement Service must have systems to cancel any embargo placed on a market disclosure and cause the immediate dissemination of that information if the DFSA instructs it to do so.

3.12 A Regulatory Announcement Service must have systems to prevent the dissemination of any market disclosure if so instructed by the DFSA, until further notice is given by the DFSA.

Prioritisation of a market disclosure

3.13 A Regulatory Announcement Service must immediately disclose all the market disclosures that it receives electronically unless a market disclosure is embargoed by the person who

submitted it.

Recording market disclosures

- 3.14 (1) A Regulatory Announcement Service must record a market disclosure as 'received' as soon as the information enters the Regulatory Announcement Services' system.
- (2) A Regulatory Announcement Service must record a market disclosure as 'released' when the information leaves the Regulatory Announcement Services' system.

Dissemination to the media

- 3.15 A Regulatory Announcement Service must monitor its systems to ensure, with reasonable certainty, that all market disclosures it processes is disseminated successfully to the media to which it is connected.
- 3.16 (1) If a medium informs a Regulatory Announcement Service that the dissemination of a market disclosure has failed, the Regulatory Announcement Service must re-transmit the failed market disclosure.
- (2) A Regulatory Announcement Service must re-transmit failed transmissions, immediately, but in any event within 5 minutes of being informed of the failure by the media.

Output format

- 3.17 A Regulatory Announcement Service must disseminate a market disclosure to any media it is connected to in the following format:
- (1) in unedited full text as submitted to the Regulatory Announcement Service; and
- (2) in an industry standard format that is capable of distributing all types of market disclosures.

Output content

- 3.18 When a market disclosure is communicated to the media, it must at a minimum contain the following:
- (1) identification of the information as a market disclosure pursuant to DFSA rules;
- (2) the sequence number of the Reporting Entity's and/or Issuer's market disclosure;
- (3) the full name and ISIN of the Reporting Entity and/or Issuer concerned;
- (4) a headline capturing the subject matter of the market disclosure;
- (5) the market disclosure;

- (6) the time and date the market disclosure was received by the Regulatory Announcement Service;
- (7) the time and date the market disclosure was released by the Regulatory Announcement Service; and,
- (8) a clear indication of the end of the market disclosure.

Validation of output

3.19 A Regulatory Announcement Service must include a mechanism to provide certainty to the intended recipients of a market disclosure that the information has been disseminated by a Regulatory Announcement Service.

Recovery provisions

3.20 A Regulatory Announcement Service must make adequate provision for possible disruptions to its operations. Disaster recovery provisions must be sufficient recovery to ensure that there is minimum disruption to the continuous operation of the Regulatory Announcement Service.

Service support

3.21 A Regulatory Announcement Service must provide service support to its clients and any media to which it is connected during the hours it would normally release a market disclosure.

Charges

3.22 A Regulatory Announcement Service must set out clearly the services it provides and the fees it charges for those services.

3.23 A Regulatory Announcement Service must not charge the DFSA for disseminating Regulatory Announcements.

Annual report

3.24 (1) A Regulatory Announcement Service must submit to the DFSA an annual report which confirms that the Regulatory Announcement Service met all the criteria in the

preceding 12 months.

(2) The annual report described in paragraph (1) must be prepared by a person who is independent from the Regulatory Announcement Services and is qualified to act as auditor.

(3) Further to (1) the annual report will provide confirmation about:

(a) the absolute and relative number of successful and failed releases to the market;

(b) the system downtime; and,

(c) any breaches of confidentiality.

(4) The annual report must be submitted to the DFSA on 31 March of each year.

4. Ongoing obligations and notification requirements

Requirement to meet the criteria at all times

4.1 A Regulatory Announcement Service must, at all times, meet the Regulatory Announcement Service criteria set out in 3.

4.2 The DFSA will cancel the approval of a Regulatory Announcement Service that fails to comply with criterion 4.1 by removing the name of the person who has been approved as a Regulatory Announcement Service from the DFSA's list of Regulatory Announcement Services.

Notifications

4.3 A Regulatory Announcement Service must inform the DFSA immediately if any connection to a media is suspended or terminated.

4.4 A Regulatory Announcement Service must inform its clients and the DFSA in writing without delay if its operations are disrupted.

4.5 A Regulatory Announcement Service must provide the DFSA with the names and contact details of its staff who are available 24 hours a day, seven days a week, to assist the DFSA with its regulatory responsibilities.

4.6 A Regulatory Announcement Service must provide to the DFSA without delay any information that the DFSA may reasonably require for the performance of its functions.

4.7 If a Regulatory Announcement Service becomes aware of a breach of any of its security measures must:

- (1) immediately notify the DFSA of the breach; and
- (2) as soon as possible give the DFSA with a detailed report of the breach and any steps taken to correct that breach.

4.8 A Regulatory Announcement Service must inform the DFSA without delay of any changes to the fees it charges to persons or entities submitting a market disclosure for dissemination.

4.9 A Regulatory Announcement Service that has had its approval cancelled must, without delay, inform its clients and any media to which it is connected that it is no longer approved to process or release regulated information.

Record keeping

4.10 A Regulatory Announcement Service must have effective arrangements for making and retaining, for 6 years adequate records of all matters regarding the processing of regulated information. As a minimum, arrangements must include records of the following information for each market disclosure disseminated by a Regulatory Announcement Service:

- (1) the name of any person that communicates to the Regulatory Announcement Service market disclosure on behalf of Reporting Entity or other persons;
- (2) the name of the Reporting Entity or person on whose behalf the market disclosure is communicated;
- (3) the security validation details;
- (4) the original copy of the content of the market disclosure;
- (5) the date and time the market disclosure is received by the Regulatory Announcement Service;
- (6) details of the medium in which the market disclosure is received by the Regulatory Announcement Service;
- (7) details of any embargo placed by the issuer on the market disclosure (if relevant);
- (8) details of all those persons who are authorised by the Regulatory Announcement Service to have access to the information;
- (9) details of any substantive changes made by a Regulatory Announcement Service to a document during processing; and,
- (10) the date and time the Regulatory Announcement Service releases the market



disclosure to the media.

4.11 A Regulatory Announcement Service that has had its approval cancelled should continue to comply with criterion 4.10.