

Chapter 2 Membership Rules

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2.1 Membership

- (A) The Board may issue Floor Memberships, Off-Floor Memberships and Clearing Memberships and may admit any person to Membership in accordance with these Rules. The Board shall in its absolute discretion determine the number of Floor Memberships, Off-Floor Memberships and Clearing Memberships in issue at any time.
- (B) Any body corporate, partnership or unincorporated association may apply for Floor Membership of the Exchange, having the rights and privileges set out in of this Chapter 2. Applicants must satisfy the criteria in Rule 2.4.
- (C) Floor Members are Members who own one (1) or more Floor Membership Privilege(s). A Floor Member may own more than one (1) Floor Membership Privilege. A Floor Member may also be an Off-Floor Member and/or a Clearing Member, subject to satisfaction of the relevant criteria.
- (D) Each Floor Membership Privilege shall entitle its holder:
- (1) to access and to trade on the Trading Platform on and off the Exchange Floor; and
 - (2) to occupy (by itself or through a Seat Lessee) a designated Seat on the Exchange Floor.

- (E) Any body corporate, partnership or unincorporated association may apply for Off-Floor Membership of the Exchange, having the rights and privileges set out in this Chapter 2. Applicants must satisfy the criteria in Rule 2.5.
- (F) Off-Floor Members have the right to access and to trade on the Trading Platform off the Exchange Floor, subject to all applicable laws and regulations. An Off-Floor Member may hold more than one (1) Off-Floor Membership. Off-Floor Members may also be a Floor Member and/or a Clearing Member, subject to satisfaction of the relevant criteria.
- (G) Any clearing member of the Clearing House may apply for Clearing Membership of the Exchange. Applicants for Clearing Membership of the Exchange must satisfy the criteria in Rule 2.6. Clearing Members have the right to access and to trade on the Trading Platform off the Exchange Floor, subject to all applicable laws and regulations. A Clearing Member may also be a Floor Member and/or an Off-Floor Member, subject to satisfaction of the relevant criteria.
- (H) Only Clearing Members may guarantee a Member or Customer to trade on the Exchange and clear trades on the Exchange.
- (I) Every person admitted to Membership shall be bound by these Rules.

2.2 Authorised Terminal Users

- (A) Upon request by the Exchange, each Member, Seat Lessee and Guaranteed Customer must notify the Exchange of the name, address and contact details of each individual authorised to access the Trading Platform on behalf of that Member, Seat Lessee or Guaranteed Customer, as the case may be (each such individual, an **Authorised Terminal User**).
- (B) Each Member, Seat Lessee and Guaranteed Customer shall ensure that its Authorised Terminal Users are suitable and competent. Each Authorised Terminal User or proposed Authorised Terminal User must complete such training course as the Board may from time to time prescribe.
- (C) Each Member, Seat Lessee and Guaranteed Customer shall be responsible for ensuring that any details notified to the Exchange in accordance with paragraph (A) of this Rule 2.2 remain current and accurate at all times.
- (D) Each Authorised Terminal User shall be bound by these Rules.

2.3 Membership Application process

- (A) An applicant for Membership must submit to the Board an application in the relevant form as prescribed by the Board, together with such other documents and information as the Board shall deem necessary or appropriate or shall require.
- (B) An applicant must satisfy the application criteria for the type of application being made as set out in this Chapter 2.
- (C) No applicant for Membership will be accepted by the Board until the Board has verified the applicant's identity to its satisfaction for the purposes of any Applicable AML Requirements.
- (D) Each application for Membership shall be accompanied by a payment of an application fee in such amount as may be fixed from time to time by the Board, which application fee is non-refundable whether the application is accepted, rejected or withdrawn.
- (E) Applications that are deemed by the Board to be incomplete shall be kept on file for four (4) months. Thereafter, the application shall be deemed to have been withdrawn and the applicant must submit a new application before any consideration by the Board.

2.4 Requirements for Floor Members

(A) An applicant for Floor Membership must:

- (1) be a body corporate, partnership or unincorporated association;
- (2) be established and carrying on its business in the DIFC;
- (3) be authorised or otherwise permitted by the DFSA to conduct the activities which it intends to conduct while trading on the Exchange and must provide evidence to the Exchange of such regulatory status;
- (4) have, in the opinion of the Board, good character, commercial standing and business experience;
- (5) provide such evidence as is requested by the Exchange as to its legal status and organisation and as to its ability to become a Floor Member without breaching applicable laws, regulations and rules;
- (6) provide the following in the prescribed form or in a form agreed by the Exchange:
 - (a) a copy of a resolution, duly certified by the secretary or other authorised officer or partner of the applicant, designating agents for service of process in the DIFC concerning and limited to the Exchange-related activities and business of the applicant and/or employees of the applicant;
 - (b) a copy of a resolution, duly certified by the secretary or other authorised officer or partner of the applicant, or by the governing body of the applicant, authorising the application for Floor Membership and the execution of the documents referred to above and all other documents relating to the applicants Floor Membership; and
 - (c) with respect to partnerships, a statement describing the business in which it is engaged and a certified copy of its current partnership agreement. The applicant shall also file certified copies of any and all documents filed with the DIFC authorising the partnership to conduct business in the DIFC;
- (7) agree (in the prescribed form) to be bound by the Rules;
- (8) designate (in the prescribed form) an officer, employee or partner as the Exchange liaison, whom the Exchange may contact in order to obtain additional information or documentation in connection with any matter whatsoever provided in these Rules;
- (9) do or submit such other things or documents as the Board may stipulate from time to time;
- (10) if not also a Clearing Member, have entered into an agreement with at least one (1) Clearing Member for the clearing of the applicant's trading on the Exchange and provide the Exchange with a copy of each such agreement;
- (11) if the applicant intends to trade as principal or agent on the account of any Customer or to trade as agent on account of any of its Affiliates or of any other Member, comply with all applicable DFSA or other regulatory capital requirements and have net capital of not less than one million dollars (\$1,000,000) or its equivalent in any other currency;
- (12) provide evidence of its experience and competence; and
- (13) provide satisfactory evidence to enable DME to comply with its obligations under Applicable AML Requirements.

2.5 Requirements for Off-Floor Members

As well as satisfying the Membership criteria set out in paragraphs (4) to (13) of Rule 2.4, (save that references to Floor Membership shall be read as Off-Floor Membership), an applicant for Off-Floor Membership of the Exchange must satisfy the Exchange that it is authorised, recognised or otherwise permitted by the DFSA to conduct the activities which it intends to conduct while trading on the Exchange and must provide evidence to the Exchange of such regulatory status.

2.6 Requirements for Clearing Members

- (A) An applicant for Clearing Membership of the Exchange must be a clearing member of the Clearing House.
- (B) As well as satisfying the Membership criteria set out in paragraphs (4) to (9) and (11) to (13) of Rule 2.4, (save that references to Floor Membership shall be read as Clearing Membership), an applicant for Clearing Membership of the Exchange must satisfy the Exchange that it is authorised, recognised or otherwise permitted by the DFSA to conduct the activities which it intends to conduct while trading on the Exchange and must provide evidence to the Exchange of such regulatory status.

2.7 Clearing Arrangements

- (A) Each Member which is not a Clearing Member must hold an account with at least one (1) Clearing Member for the clearing of that Member's trading on the Exchange.
- (B) No Member which is not a Clearing Member may trade on the Exchange other than through an account held with a Clearing Member in accordance with Paragraph (A) of this Rule 2.7.
- (C) A Clearing Member who holds an account for a Member in accordance with paragraph (A) of this Rule 2.7 must accept and clear any trade or trade reallocation for such account that does not exceed the Total Risk Value set by that Clearing Member relating to the entry of orders and trade reallocations for such an account.

2.8 Duties of Members towards Clearing Members

- (A) Each Member which is not a Clearing Member shall file with each Clearing Member with whom it holds an account a copy of any financial statement or document filed with any other exchange or clearing house.
- (B) Each Member which is not a Clearing Member shall give written notification to each Clearing Member with which it holds an account, of all commodity accounts of such Member including every Omnibus Account.
- (C) Unless otherwise requested or instructed, each Member which is not a Clearing Member shall cause to be delivered to each Clearing Member with whom it holds an account all statements and confirmations with respect to each commodity account in which such Member has a direct or indirect interest or over which such Member exercises direct or indirect control.
- (D) No Member shall open a commodity account without the prior written consent of each Clearing Member with whom that Member holds an account.

2.9 Processing of applications

- (A) The Board will have absolute discretion whether or not to accept Membership applications.
- (B) The Board may delegate all or any powers and obligations referred to in this Chapter 2 to the Membership Committee.

- (C) The Exchange will give all Members notice of the name of each applicant for Membership reasonably in advance before the Membership Committee meeting in which the application will be considered.
- (D) Each Member has the positive obligation to keep itself informed of all applications for Membership and to provide the Board with any adverse first-hand knowledge or information relating to an applicant's character and to an applicant's financial or business history. Any Member who wilfully fails to provide the Board with such information shall have committed a Major Offence.

2.10 Procedures for determining fitness of applicants for Membership

- (A) Each application for Membership shall be reviewed and investigated to determine any past or pending criminal actions, disciplinary proceedings or investigations relating to the application.
- (B) The references listed on the application may be contacted independently by the Board for a confidential evaluation of the applicant.
- (C) The applicant's financial statement shall be supported by appropriate documentary evidence and shall be subject to verification.
- (D) The Board shall review carefully each application for Membership and may direct the applicant to supplement any information provided and may arrange for such information to be investigated, if deemed necessary.
- (E) Any applicant for Membership may be required to appear before the Board. An applicant's failure to appear upon the request of the Board shall constitute a withdrawal of the application.

2.11 Denial of Membership

- (A) The Board may deny if:
 - (1) the applicant does not meet any one or more of the criteria for Membership, or does not follow the procedures for applications for Membership set forth in these Rules;
 - (2) the applicant or its Affiliate has been denied authorisation, registration or permissions or its authorisation, registration or permissions have been revoked or are currently suspended by the DFSA, or any other regulatory authority;
 - (3) the applicant or its Affiliate is temporarily or permanently prevented, by any order, judgment or decree of any court of competent jurisdiction, or of the DFSA, or any other regulatory authority, from engaging or continuing in any conduct or practice involving the purchase or sale of any commodity, security option or similar instrument;
 - (4) the applicant is subject to any outstanding order issued by any relevant regulatory authority denying such person trading privileges on any exchange or suspending or expelling such person from trading privileges on any exchange;
 - (5) the applicant or its Affiliate has been found to have breached wilfully any provision of the Regulatory Law, the Markets Law, UAE Law No. 2 of 2000 'Criminalisation of Money Laundering', any rule, regulation or order promulgated under such laws and any other laws, regulations or rules applicable to the applicant or its Affiliates;
 - (6) the applicant or its Affiliate or any director, officer or partner of the applicant has ever been convicted of any crime;
 - (7) the applicant or its Affiliate is or has ever been suspended or expelled from any exchange, related clearing organisation, registered futures association or other self-

regulatory organisation or other business or professional association for breaching any rule of such organisation;

- (8) the applicant has been censured, disciplined, publicly criticised or is the subject of a Court order at the instigation of any regulatory authority or self-regulatory organisation or other business or professional association for breach of any rule of such organisation;
- (9) the applicant is subject to any substantial unsatisfied liens or judgments;
- (10) the applicant has been insolvent, unable to pay debts as they matured, made an assignment for the benefit of creditors or was involved in any liquidation, reorganisation or bankruptcy proceeding as a debtor, whether voluntary or involuntary, within the seven (7) years preceding the date of the application;
- (11) the applicant has made any materially false statement or failed to state a material fact in or in connection with any application filed with the Exchange;
- (12) the applicant fails to meet such other qualifications as the Board may from time to time determine are in the best interests of the Exchange;
- (13) the applicant fails to disclose any other information that would adversely affect the application for Membership; or
- (14) there is any other circumstance which in the opinion of the Board would compromise the applicant's ability to fulfil a Member's obligations to the Exchange and to Clearing Members,

by notifying the applicant of the refusal in writing with the reason(s).

- (B) An applicant whose application for Membership has been rejected may appeal the decision to the Appeal Committee within ten (10) Business Days of the Board's decision being served on it by filing with the Membership Department a notice of appeal specifying the grounds for the appeal.
- (C) An applicant who has been rejected by the Board may not be reconsidered for Membership by the Board for one (1) year after the date of rejection by the Board.

2.12 Cancellation of Membership by a Member

A person's Membership may be cancelled by the relevant Member provided that:

- (1) a written notice of the intention to cancel Membership, including the identity of the Member's Authorised Terminal User(s) is given to the Exchange;
- (2) the Membership Committee has given all existing Members reasonable advance notice of the withdrawal of the person's Membership;
- (3) all dues, assessments, fines, penalties and any other monies (including, but not limited to, office rent and phone charges) due and payable to the Exchange by the Member have been paid; and
- (4) no existing Member has filed a claim against the withdrawing Member.

2.13 Termination of Membership and/or access to the Exchange Floor and/or Trading Platform

- (A) A person's Membership status and/or access to the Exchange Floor and/or Trading Platform may be suspended or terminated by the Exchange immediately on the occurrence of any of the following events:

- (1) a Floor Member ceases to have at least one (1) Authorised Terminal User trading on the Exchange Floor in respect of each Seat it holds;
 - (2) if a Member's only employee is suspended or expelled for any reason (in which case such suspension or expulsion shall apply to the Member itself);
 - (3) if a Member (other than a Clearing Member) ceases to hold an account with a Clearing Member in accordance with paragraph (A) of Rule 2.7;
 - (4) if a Member fails to satisfy any of the financial requirements imposed on it under these Rules;
 - (5) if a Member fails to satisfy the Exchange's fitness and propriety requirements;
 - (6) in the case of Floor Members, persistent breaches of Rules 6.6 and/or 6.7; or
- for any other reason specified in these Rules.

- (B) A person's Membership and/or access to the Exchange Floor and/or Trading Platform may be suspended or terminated by action of the Board in accordance with these Rules.
- (C) When any Floor Member or Seat Lessee terminates or suspends any of its Authorised Terminal Users for any reason, that Floor Member or Seat Lessee shall forthwith surrender the individual's Trading Badge to the Exchange.

2.14 Reinstatement of Membership status or access to the Exchange Floor and/or Trading Platform

- (A) A Member whose Membership has been terminated for any reason may apply to the Board for reinstatement of such status.
- (B) A Member whose access to the Exchange Floor and/or the Trading Platform has been suspended may apply to the Board for reinstatement of such access.
- (C) The Board may reinstate such status and/or access upon such terms and conditions as it, in its sole discretion, may impose.

2.15 Transfer of Floor Membership Privileges or Off-Floor Membership

- (A) A Floor Member may transfer ownership of one (1) or more of its Floor Membership Privileges by sale to another Floor Member as provided for in Rules 2.16 to 2.18.
- (B) An Off-Floor Member may transfer ownership of its Off-Floor Membership by sale to another Off-Floor Member, as provided for in Rules 2.16 to 2.18.
- (C) A Floor Member who transfers all Floor Membership Privileges owned by it, whether to one (1) or several buyers, will automatically and immediately cease to be a Floor Member.
- (D) An Off-floor Member who transfers ownership of all their Off-Floor Memberships, whether to one (1) or several buyers, will automatically and immediately cease to be an Off-Floor Member.
- (E) A Clearing Member may not transfer its Clearing Membership save with the approval of the Board in its absolute discretion.

2.16 Procedures for sale and purchase of Floor Membership Privileges

- (A) All transfers of Floor Membership Privileges and Off-Floor Memberships must be made through the Membership Department of the Exchange.

- (B) The Membership Department shall maintain and publish a file of bids and offers for each of Floor Membership Privileges and Off-Floor Memberships.
- (C) Any person desiring to buy a Floor Membership Privilege (or number of Floor Membership Privileges) or Off-Floor Membership may:
 - (1) agree with a Member a price for the sale and purchase of that Floor Member's Floor Membership Privilege(s) or Off-Floor Membership, as the case may be; or
 - (2) submit a written bid to the Membership Department to buy a Floor Membership Privilege or number of Floor Membership Privileges and/or an Off-Floor Membership; or
 - (3) accept an offer for a Floor Membership Privilege or number of Floor Membership Privilege and/or Off-Floor Membership as published by the Membership Department.
- (D) Any Floor Member desiring to sell one (1) or more Floor Membership Privilege(s) may:
 - (1) agree with another person a price for the sale and purchase of such Floor Membership Privilege(s) ;
 - (2) submit a written offer to the Membership Department; or
 - (3) accept a bid for one (1) or more Floor Membership Privilege(s) as published by the Membership Department.
- (E) Any Off-Floor Member desiring to sell its Off-Floor Membership may:
 - (1) agree with another person a price for the sale and purchase of that Off-Floor Membership;
 - (2) submit a written offer to the Membership Department; or
 - (3) accept a bid for an Off-Floor Membership as published by the Membership Department.
- (F) Any sale and purchase of a Floor Membership Privilege or Off-Floor Membership shall be subject to the provisions of Rules 2.17 and 2.18.

2.17 Procedure for Transfer of Floor Membership Privileges and Off-Floor Memberships

- (A) If a Floor Member or an Off-Floor Member desires to transfer ownership of a Floor Membership Privilege or Off-Floor Membership (the **Transferring Member**), the Transferring Member shall deliver to the Membership Department notification of intention to transfer (**notice of intention to transfer**), executed by the Transferring Member or his legal representative. The notice of intention to transfer shall include the Transferring Member's identification number, the date on which the transfer is intended to become effective and the name of the proposed transferee (the **Proposed Transferee**). The Membership Department, upon receipt of a Transferring Member's notice of intention to transfer, shall promptly notify all Members, by posting the notice of intention to transfer for a period of ten (10) days.
- (B) No Floor Member or Off-Floor Member may transfer ownership of a Floor Membership Privilege or Off-Floor Membership, as the case may be, unless and until the following conditions have been met:
 - (1) in the case of Floor Members, the Floor Member has held the Floor Membership Privilege for such minimum period as the Board may prescribe from time to time and the Proposed Transferee has been approved by the Board as a Floor Member (if not already a Floor Member);

- (2) in the case of Off-Floor Members, the Board has issued a notice to Members confirming that Off-Floor Memberships may be transferred and the Proposed Transferee has been approved by the Board as an Off-Floor Member (if not already an Off-Floor Member);
- (3) all dues, assessments, fines, penalties and any other monies (including, but not limited to, office rent and phone charges) due and payable to the Exchange by the Transferring Member have been paid;
- (4) all claims by Members that: (a) arise out of, or in connection with, the transaction of business on the Exchange, and (b) are filed with the Membership Department within ten (10) days after the Exchange published notice of intention to transfer have been settled or discharged by the Transferring Member and/or the Proposed Transferee, as the case may be;
- (5) payment by the Proposed Transferee to the Exchange of a transfer fee in an amount to be fixed, from time to time, by the Board.

2.18 Acquisition of Membership by the Proposed Transferee

- (A) The Proposed Transferee shall cause a transfer of the Seat or Off-Floor Membership, as the case may be, within fourteen (14) days after admission as a Floor Member or as an Off-Floor Member, as the case may be.
- (B) If a Proposed Transferee does not comply with the requirements of paragraph (1) of this Rule 2.18, its admission to Floor Membership or Off-Floor Membership, as the case may be, shall be void unless the time for compliance is extended by the Board in its absolute discretion.

2.19 Compliance with DFSA Rulebook

Members, Seat Lessees and Guaranteed Customers, and their employees, must comply at all times with all provisions of the DFSA Rulebook applicable to their conduct on the Exchange.

2.20 Responsibility of Members for employees and officers

Members shall be responsible for, and subject to disciplinary action as a result of, the acts and omissions of, and any breaches of these Rules by, their directors, officers, partners, employees and other representatives.

2.21 Fees

Members shall pay such fees as required by the Board from time to time.

2.22 Notices required of Members

- (A) Each Member shall give written notice to the Exchange of all changes in partners, whether general or limited, or in officers or directors. Each Member shall also give written notice to the Exchange of any change in a Member's liaison contact with the DME.
- (B) Each Member shall give prior notice in writing to the Board of any proposed merger, acquisition, consolidation or sale of the Member, whether into or by the Member or otherwise. Such prior notice shall be supplemented by such documents or information as requested by the Board.

2.23 Lawsuits brought against the Exchange

- (A) For the purposes of this Rule 2.23:
- (1) Claimant means any present or former Member, Seat Lessee or Guaranteed Customer and any present or former employee, agent, director, officer or Affiliate thereof; and
 - (2) Exchange includes the Exchange and its respective parents, subsidiaries (direct and indirect) or any of its respective Affiliates, Members, successors, assigns, directors, governors, officers, committee members, employees, consultants or agents.
- (B) Except to the extent such loss, expense, damages or claims are attributable to the negligence, wilful misconduct, bad faith, fraud or criminal acts of the Exchange, and except as otherwise expressly provided in these Rules, the Exchange shall not have liability to any Claimant for any loss, expense, damages (including direct, indirect, consequential and punitive damages) or claims resulting from or relating to any personal injury or medical condition (and death resulting therefrom) that arise out of:
- (1) the use or employment of the facilities or services at the Exchange, regardless of whether such services or facilities are provided by the Exchange or a third party;
 - (2) any interruption in or failure or unavailability of any such facilities, services, regardless of whether such services or facilities are provided by the Exchange or a third party; or
 - (3) any action or failure to act by the Exchange;
- (C) Except to the extent such loss, expense, damages or claims are attributable to the gross negligence, wilful misconduct, bad faith, fraud or criminal acts of the Exchange, and except as otherwise expressly provided in these Rules, the Exchange shall not have liability to any Claimant for any loss, expense, damages (including direct, indirect, consequential and punitive damages) or claims resulting from or relating to:
- (1) any error, omission or delay in calculating or disseminating any current, closing or settlement prices, values, transactions in, quotations for or other information about Exchange;
 - (2) the use of data transmitted or disseminated by or on behalf of the Exchange or any reporting authority designated by the Exchange, including but not limited to reports of transactions in, quotations for or other information about futures contracts and option contracts or reports of index values or related data; and, in connection with the use of such data, the Exchange makes no express or implied warranties as to such data, including but not limited to:
 - (a) the result to be obtained; or
 - (b) the suitability or fitness for a particular purpose or use;
 - (3) any suspension, inaccuracy, interruption or termination or any other cause relating to the furnishing, performance, operation, maintenance, use of or inability to use any or all of the Exchange systems or services and facilities used to support these systems, regardless of whether such services or facilities are provided by the Exchange or a third party. In addition, the Exchange shall have no liability for errors or inaccuracies in information provided by Exchange systems or for losses or other injury or damages resulting from unauthorised access or any other misuse of any Exchange systems by any person.
- (D) The foregoing limitations of liability and disclaimers shall be in addition to any other limitation of liability provision contained in these Rules, and, to the extent that they are inconsistent, the provisions of this Rule shall prevail.

- (E) The limitations of liability set forth in these Rules shall not apply to or affect the rights or remedies of either any Claimant or the Exchange with respect to breaches of the applicable laws and regulations.
- (F) Any Claimant that institutes a lawsuit or other similar proceeding against the Exchange in any court of law or otherwise and fails to prevail in such lawsuit or proceeding shall pay to the Exchange any and all reasonable expenses and disbursements of the Exchange, including reasonable legal fees incurred by the Exchange in the defence of such lawsuit or proceeding in addition to any statutory costs incurred by the Exchange.
- (G) The Claimant consents and submits to the exclusive jurisdiction of the courts of DIFC. The Claimant waives personal service and consents to service of process by registered mail to the agent for process notified to the Exchange, or consented to, by the Claimant or the person to which the Claimant is or was related, in accordance these Rules. Nothing in these Rules shall affect the right of the Exchange to serve legal process in any other manner permitted by law or affect the right of the Exchange to bring any action or proceeding against Claimant or Claimant's property in a court of any other jurisdiction.
- (H) Each provision of this Rule 2.23 shall be viewed as legally separate and distinct from the other provisions contained herein and if any provision of this Rule 2.23 is held invalid, that provision shall not effect the legality and enforceability of any other provision.

2.24 Disputes between Members, Seat Lessees and/or Guaranteed Customers

Any Member, Seat Lessee or Guaranteed Customer involved in a transaction or business relationship on the Exchange about which a dispute arises that is not resolved shall act in the most expeditious manner practicable to mitigate or limit any damage to any party to such transaction or relationship. There shall be a rebuttable presumption that such acts of mitigation shall not be admissible with respect to liability for the transaction or relationship giving rise to the dispute.

2.25 Spirit of the Rules

- (A) These Rules shall at all times be observed, interpreted and given effect in such a way as to ensure, at all times, the promotion and maintenance of:
 - (1) authorisation of the Exchange as an Authorised Market Institution under the Regulatory Law and the good reputation of the Exchange (and its Members);
 - (2) an orderly market with high standards of integrity and fair dealing;
 - (3) compliance with the DFSA's Principles; and
 - (4) the organisation and control of internal affairs in a responsible manner, adequacy of internal record-keeping, and adequate arrangements to ensure that staff and directors of Members are fit and proper, adequately trained and properly supervised and that each Member has adequate procedures for ensuring compliance with these Rules.

2.26 Change in ownership of a Member

- (A) A Member which is a body corporate shall notify the Exchange in writing of the name of any person for the time being holding or having a beneficial interest in ten per cent (10%) or more of any class of the equity share capital of the Member or any Controller of the Member, and of any change in such a holding or interest, within seven (7) days of the holding or interest, or change therein, coming to the Member's notice.
- (B) In the case of a Member which is a partnership or unincorporated association, the Member shall notify the Exchange in writing of the name of any person who becomes or ceases to become a partner of that partnership or member of that unincorporated association (as the case may be) and in either case holding or having an interest:

- (1) conferring any right to share in 10% or more of the profits, or liability to contribute to 10% or more of the losses of the partnership or unincorporated association; or
- (2) giving rise to an obligation to contribute to 10% or more of the debts or expenses of the partnership or unincorporated association in the event of a winding up,

within seven (7) days of that the interest or change therein coming to the Member's notice.

- (C) Upon receipt by the Exchange of a notice from a Member under this Rule 2.26, the Board may review the suitability of the Member for Membership. The Board may require the Member to furnish such additional information as required at the Board's absolute discretion. If, on completion of the review, the Board is not satisfied that the Member continues to satisfy the criteria for Membership, the Board shall consider whether to terminate the rights of the Member in accordance with these Rules.

2.27 Confidentiality

The Exchange shall keep confidential all information received and obtained under the Rules, subject to such disclosure as is required to ensure compliance with all applicable laws, regulations and rules and, in particular, to ensure the maintenance of its status as an Authorised Market Institution under the Regulatory Law.

2.28 The Exchange's relations with other regulators and authorities

In order to ensure the continuation of the Exchange's licence as an Authorised Market Institution under the Regulatory Law, it may co-operate and share information with the DFSA, other relevant authorities and regulatory bodies, other Authorised Market Institutions, Recognised Bodies and other exchanges and clearing houses, and may also make whatever arrangements are deemed appropriate to monitor compliance with the Rules and carry out or arrange for the carrying out of whatever investigations are deemed necessary.