For DFSA use only

|  |
| --- |
|  |

**Form SUP 5**

**Application to:**

* **request an endorsement on the Licence of a new applicant firm**

**or**

* **add or remove an endorsement on the Licence of an existing firm**

**Name & Firm Number\* of Applicant Firm**

|  |  |
| --- | --- |
|  |  |

\* if known

**Purpose of this form**

This form and any applicable supplements should be submitted by firms seeking to:

* Hold or control Client Assets or hold Insurance Monies (the “Client Assets/Insurance Monies endorsement”).
* Carry on Financial Services with Retail Clients (the “Retail endorsement”).
* Carry on the Financial Service of Insurance Intermediation relating to Long-Term Insurance.

It should be used by the following two types of applicant (the “applicant”):

1. A new applicant firm (i.e. not yet authorised) requesting an endorsement as part of its overall application for a Licence; or,
2. An existing Authorised Firm wishing to add or remove an endorsement on its Licence.

The DFSA may require additional information or clarification in order to complete the processing of an application. In this respect, the DFSA will correspond with the applicant’s contact person as detailed below\*.

If you wish to vary your Licence or withdraw your Licence completely, please submit the relevant Forms to your relationship manager, if one has been assigned, or via the DFSA Contact Portal.

*\* New applicant firms, only, do not need to complete the contact details box if the information is the same as that supplied in the Form AUT-CORE.*

|  |
| --- |
| Full name of Authorised Firm and DFSA reference number |
| Name of contact person for application. Please provide telephone, fax, e-mail, and postal address |
| Name and contact details of professional advisor (s) assisting with the application, if any. |
| Would you like us to copy in your advisor on any correspondence? Yes  No |

**Content**

|  |  |  |
| --- | --- | --- |
| **Section** | **Title** | **To be completed by** |
| 1 | Declaration by the applicant | All applicants |
| 2 | Addition of retail endorsement | New applicant or existing Authorised Firms wishing to add the endorsement to their Licence |
| 3 | Removal of retail endorsement | Authorised Firms wishing to remove the endorsement to their Licence |
| 4 | Addition of Client Asset/Insurance Monies endorsement | New applicant or existing Authorised Firms wishing to add the endorsement to their Licence |
| 5 | Removal of Client Asset/Insurance Monies endorsement | Authorised Firms wishing to remove the endorsement to their Licence |
| 5A | Addition of Long-Term Insurance endorsement | New applicant or existing Authorised Firms wishing to add the endorsement to their Licence |
| 5B | Removal of Long-Term Insurance endorsement | Authorised Firms wishing to remove the endorsement to their Licence |
| 6 | Payment of Fees | Existing firms only, as relevant |
| 7 | Checklist of attachments | All applicants, as relevant |
| 8 | Disclosure of information to the Dubai International Financial Centre Authority (DIFCA) | All applicants |

**Notes for completing this form**

The DFSA will grant an endorsement only if is satisfied that the applicant has demonstrated that it has the ability to carry out the activity in conformity with the requirements set out in the relevant DFSA Rulebooks.

1. When assessing an application for a **Retail endorsement**, the DFSA will consider, among other things:
   1. The adequacy of an applicant’s systems and controls for carrying on Financial Services with a Retail Client.

An applicant must be able to demonstrate that its systems and controls (including policies and procedures) adequately provide for compliance with the requirements specifically dealing with Retail Clients, including:

* marketing materials intended for Retail Clients;
* content requirements for Client Agreements for Retail Clients;
* suitability assessment for recommending a financial product for a Retail Client;
* disclosure of fees and commissions, and any inducements, to a Retail Client.

An applicant’s systems and controls must be adequate to ensure on an ongoing basis, that its Employees remain competent and capable to perform the functions which are assigned to them, including any additional factors that may be relevant if their functions involve interfacing with Retail Clients.

* 1. The adequacy of the applicant’s Complaints handling policies and procedures

An applicant must have Complaints handling policies and procedures that meet the requirements in chapter 9 of the GEN Module. These require an Authorised Firm to have adequate written policies and procedures for the investigation and resolution of complaints made against it by a Retail Client, including any redress available to such a Client (e.g. compensation).

An applicant’s policies and procedures must provide for fair, consistent and prompt handling of Complaints. In addition to the matters set out in chapter 9, the policies and procedures should explicitly deal with how the applicant ensures that:

* Employees dealing with Complaints have adequate training and competencies to handle Complaints, as well as impartiality and sufficient authority (see GEN Rules 5.3.19, 9.2.7 and 9.2.8);
* a Retail Client is made aware of the firm’s Complaints handling policies and procedures before obtaining its services (see COB Rule A2.1.2(1)(h)); and
* the applicant’s Complaints handling policies and procedures are freely available to any Retail Client upon request.

1. When assessing an application for a **Client Assets/Insurance Monies** endorsement, the DFSA will consider, among other things:
2. That the applicant has arranged for the proper protection of Client Assets/Insurance Monies in accordance with the responsibility it has accepted.
3. That the applicant is able to demonstrate that its systems and controls (including policies and procedures) adequately provide for compliance with the requirements specifically dealing with Client Assets/Insurance Monies, including:

* organisational arrangements to ensure appropriate oversight over Client Assets/Insurance Monies;
* identification of Client Assets/Insurance Monies;
* suitability assessment on Third Party Agents/Eligible Bank with whom Client Assets/Insurance Monies are held;
* segregation of Client Assets/Insurance Monies and undertaking of reconciliations of the Client Accounts; and
* provision of required disclosures and reporting to Clients, and the keeping of accurate records.

1. Whether the applicant’s systems and controls are adequate to ensure on an ongoing basis, that its Employees remain competent and capable to perform the functions which are assigned to them, including any additional factors that may be relevant if their functions involve oversight over Client Assets/Insurance Monies.
2. The adequacy of the applicant’s policies and procedures following a Distribution Event.
3. That an applicant has policies and procedures meeting the requirements in A5.13 – Client Money Distribution Rules of the COB Module. These require an Authorised Firm to have adequate written policies and procedures to distribute Client Money following a Distribution Event.
4. When assessing an application for an endorsement to conduct Insurance Intermediation activities relating to **Long-Term Insurance**, the DFSA will consider, among other things, whether the applicant has staff with sufficient knowledge, skills and experience relating to the underlying investments of Long-Term Insurance.
5. New applicant firms should include this form with the application “pack” submitted to the DFSA, and existing Authorised Firms should return the completed form by email to the firm’s relationship manager, if one has been assigned, or via the DFSA Contact Portal.

Firms are advised to retain the original copy of the form and all relevant attachments for their records.

**SECTION 1 – DECLARATION BY THE APPLICANT**

1. I declare that, to the best of my knowledge and belief, having made due enquiry, the information given in this form is complete and correct. I understand that it is an offence under Article 66 of the Regulatory Law 2004 to provide to the DFSA any information which is false, misleading or deceptive or to conceal information where the concealment of such information is likely to mislead or deceive the DFSA.
2. I declare my understanding that the DFSA may request more detailed information (including but not limited to, personal, educational, employment and financial information) should it be deemed necessary to adequately assess the fitness and propriety of the firm or any person connected to the firm.
3. I confirm that I have the authority to make this application, to declare as specified above and sign this form for, or on behalf of, the applicant. I also confirm that I have the authority to give the consent specified above, and if applicable.

4. For the purposes of complying with DIFC Data Protection Law 2007, I understand that any Personal Data provided to the DFSA will be used to discharge its regulatory functions under the Regulatory Law 2004 and other relevant legislation and may be disclosed to third parties for those purposes.

|  |  |  |  |
| --- | --- | --- | --- |
| Authorised signatory\* |  | Date |  |

|  |  |
| --- | --- |
| Name |  |

|  |  |
| --- | --- |
| Position/title |  |

**\*** Senior Executive Officer of the Authorised Firm or for new applicant firms the authorised signatory

**SECTION 2 – ADDITION OF RETAIL ENDORSEMENT ON THE APPLICANT’S LICENCE**

|  |  |
| --- | --- |
| **2.1** | With respect to offering Financial Services to Retail Clients:   * New applicant firms – please fully explain in your Regulatory Business Plan the rationale for seeking this endorsement. * Existing Authorised Firms - please describe any changes to the firm’s business plan including any impact on the applicant’s financial position and its regulatory capital requirements. |
|  | |

|  |  |
| --- | --- |
| **2.2** | Please describe your policies and procedures, systems and controls, and customer documentation covering (but not limited to) such matters as Client classification, Anti-Money Laundering/Counter-Terrorist Financing, complaints handling, staffing, training of staff, marketing material, suitability, and disclosure of fees and commissions, and any other inducements to Retail Clients.  Please confirm that your client agreement appropriately reflects that you will be dealing with Retail Clients and/or Professional Clients.  Existing Authorised Firms should highlight, in particular, the changes this will require the firm to make, and the overall impact it will have on the firm’s business and its risk management and compliance frameworks. |
|  | |

**SECTION 3 – REMOVAL OF RETAIL ENDORSEMENT ON THE APPLICANT’S LICENCE**

|  |  |
| --- | --- |
| **3.1** | With respect to the removal of the endorsement to provide Financial Services to Retail Clients, please explain the impact on the applicant’s financial position and its regulatory capital requirements. |
|  | |

|  |  |
| --- | --- |
| **3.2** | Please describe any arrangements that the applicant has made, or will make, concerning its existing Retail Clients, including obtaining any consents where required. |
|  | |

**SECTION 4 – ADDITION OF A CLIENT ASSET/INSURANCE MONIES ENDORSEMENT ON THE APPLICANT’S LICENCE**

|  |  |  |
| --- | --- | --- |
| **4.1** | Please select the specific “Client Assets/Insurance Monies endorsement” you are applying for: | |
| an endorsement to hold or control client assets | |  | |
| an endorsement to hold insurance monies | |  | |
| both | |  | |

|  |  |
| --- | --- |
| **4.2** | With respect to holding or controlling Client Assets or holding Insurance Monies:   * New applicant firms – please fully explain the rationale for seeking this endorsement in your Regulatory Business Plan. * Existing Authorised Firms - please describe any changes to the firm’s business plan including any impact on the applicant’s financial position and its regulatory capital requirements, where applicable. |
|  | |

|  |  |
| --- | --- |
| **4.3** | Please describe your procedures, systems and controls, and customer documentation covering (but not limited to) such matters as Client Assets/Insurance Monies , Anti-Money Laundering/Counter-Terrorist Financing, Complaints handling, staffing, training of staff, marketing materials, disclosure requirements, client reporting and reconciliation requirements.  Existing Authorised Firms should highlight, in particular, the changes this will require the firm to make, and the overall impact it will have on the firm’s business and its risk management and compliance frameworks. |
|  | |

|  |  |  |
| --- | --- | --- |
| **4.4** | Supporting documents:   * **New applicant firms do not** need to complete this section as there is a separate checklist within Form AUT-CORE. * For existing firms, the supporting documents listed below will need to have been revised, and be ready for inspection by the DFSA, at the time you submit this form.   *By ticking the “Revised, complete, and ready to be inspected” box, you are confirming these supporting documents meet all applicable standards and contain necessary provisions taking into account the nature, size and complexity of your activities.* | |
| **Document** | | **All existing firm applicants** |
| Compliance Manual | | Revised, complete, and ready to be inspected |
| Compliance Monitoring Programme | | Revised, complete, and ready to be inspected |
| Client Agreement | | Revised, complete, and ready to be inspected |

|  |  |
| --- | --- |
| **4.5** | With respect to holding or controlling Client Assets or holding Insurance Monies, please describe the applicant’s senior management responsibilities, and **attach** a work flow chart, including details of individuals responsible for this activity, and the frequency of activities such as reconciliations. |
|  | |

|  |  |
| --- | --- |
| **4.6** | In respect of Employees, please describe the extent to which Employees, have been, or will be, trained to ensure they are competent to handle Client Assets/Insurance Monies.  Please support your answers with reference to any steps you have taken, or will take, to comply with GEN 5.3.19 in respect of the applicant’s Employees involving handling Client Assets/Insurance Monies. |
|  | |

|  |  |
| --- | --- |
| **4.7** | For existing Authorised Firms, please advise the date that you are proposing to begin to hold or control Client Assets or hold Insurance Monies.  (For new applicant firms this is assumed to be from the date that you are authorised to commence business). |
|  | |

**SECTION 5 – REMOVAL OF A CLIENT ASSET/INSURANCE MONIES ENDORSEMENT ON THE APPLICANT’S LICENCE**

|  |  |
| --- | --- |
| **5.1** | With respect to the removal of the endorsement to hold or control Client Assets or hold Insurance Monies, please advise the impact of this change on the applicant’s business activities. Where applicable, please advise the impact on the applicant’s regulatory capital requirements. |
|  | |

|  |  |
| --- | --- |
| **5.2** | Please describe any arrangements that the applicant has made, or will make, concerning your existing Clients where you hold or control Client Assets or hold Insurance Monies, including obtaining any consents where required. |
|  | |

|  |  |
| --- | --- |
| **5.3** | Please advise the effective date you are proposing for the removal of this endorsement.  If you have already ceased to hold or control Client Assets or hold Insurance Monies, please also state the date on which this occurred. |
|  | |

**SECTION 5A – ADDITION OF LTI ENDORSEMENT ON THE APPLICANT’S LICENCE**

|  |  |
| --- | --- |
| **5A.1** | With respect to advising on or arranging Long-Term Insurance please confirm whether your staff has adequate knowledge, skills and experience relating to the underlying investments of Long-Term Insurance, and details relating to their expertise. |
|  | |

**SECTION 5B – REMOVAL OF LTI ENDORSEMENT ON THE APPLICANT’S LICENCE**

|  |  |
| --- | --- |
| **5B.1** | With respect to the removal of the LTI endorsement, please specify:   * the reasons for the withdrawal of the LTI endorsement; * whether the removal would have any adverse impact on any existing Clients; * if so, what arrangements the firm has to deal with that issue; and * the effective date you are proposing for the removal of this endorsement. |
|  | |

**SECTION 6 – PAYMENT OF FEES**

For new applicant firms no fee is payable in respect of the endorsement(s) applied for.

Existing Authorised Firms may be required to pay the DFSA an application fee for the endorsement. If a fee is payable, please make the payment by bank transfer in US dollars to the account listed below. Cheques or Bank drafts cannot be accepted.

**Applications will not be processed until the full relevant fee, where one is due, is received by the DFSA.**

|  |  |
| --- | --- |
| Account name | Dubai Financial Services Authority |
| Account number | 020 – 683751 – 100 |
| IBAN number | AE080200000020683751100 |
| Bank details | HSBC Bank Middle East  PO Box 66  Dubai, UAE |
| Swift code | BBMEAEAD |
| Reference to be quoted | Application fee – [*applicant name*] |

**SECTION 7 – ATTACHMENTS**

|  |  |  |  |
| --- | --- | --- | --- |
| **Relevant**  **Question** | **Attachments** | **Yes** | **No** |
| *please specify:* | | | |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

**SECTION 8 – DISCLOSURE OF INFORMATION TO THE DUBAI INTERNATIONAL FINANCIAL CENTRE AUTHORITY**

The provision of certain information by the DFSA to the DIFCA under the following consent will assist the DIFCA in exercising its functions and powers. It is not mandatory to provide consent and should you not wish to provide consent, we ask that you consider keeping the DIFCA informed of the progress of your application.

I consent  / I do not consent  to disclosure of the following information by the DFSA to DIFCA:

1. The fact of the filing of this application, together with the name of the applicant;

2. The fact (if applicable) that this application is still being reviewed by the DFSA; and

3. The outcome of this application. An outcome may include a decision by the DFSA to approve this application, in principle or otherwise, or to reject the application or the withdrawal of the application.