

**DISCLAIMER:** This document is an example of the DFSA's ITL application form. It is intended for general information purposes only and is subject to change.

## ITL Application Form

### 1. Introduction

#### Important notes

1. This application must be submitted by every person applying for a Licence under section 7.2 of the General module (GEN) of the DFSA Rulebook to operate under the Innovation Testing Licence ("ITL") framework.
2. You should familiarise yourself with the DFSA Rulebook before completing this form. It is recommended you read the guidance contained in Chapter 13 of the GEN module on Facilitating Fintech Innovation to understand the DFSA's approach to businesses wishing to test Fintech in or from the DIFC.
3. All sections must be completed, where appropriate.
4. The form includes, where appropriate, relevant DFSA Rule references and defined terms. These references and terms should assist in framing the context of your answer and determining if the question is applicable. Defined terms are identified by the capitalisation of the initial letter of a word or phrase and are defined in the Glossary module (GLO) of the DFSA Rulebook.
5. Applicants are advised to retain a copy of the completed form and all relevant attachments for their records.
6. Upon completing this form, the applicant must complete and sign the declarations in section 12. This includes declarations that the applicant has made due enquiry, the information included in the form is complete and correct, and the applicant understands that it is a contravention of the Regulatory Law to provide the DFSA with 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.
7. When assessing the application, the DFSA may require the applicant to provide additional information.
8. At the same time as submitting this application to the DFSA, applicants are reminded to engage with:
  - the DIFCA regarding premises and other matters;
  - the DIFC Registrar of Companies to commence the incorporation/registration process (whichever is appropriate); and,
  - their chosen bank if a UAE bank account is required.

## **2. Disclosure of information to the Dubai International Financial Centre Authority (DIFCA)**

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.

### 3. Fit and Proper questionnaire

Please note:

- any reference to “Group” below means the applicant's entire Group, including (but not limited to) immediate Controllers and all intermediate firms right through to the ultimate Controllers. Applicants should not seek to limit the scope of the questions or their answers in any way. Please refer to the definition of Group in the Glossary (GLO) module of the DFSA Rulebook.
- any reference to “Controller” includes both corporate and non-corporate Controllers. Please refer to the definition of Controller in the GLO module.
- if the answer to any of the following questions is yes, please provide a detailed explanation in the provided text box.

3-1. Is the applicant or any member of the applicant's Group aware (whether formally or informally) that the applicant is the subject of a current or pending investigation, review or disciplinary procedures by any regulatory authority, professional body, Financial Services Regulator, self-regulatory organisation, Authorised Market Institution or regulated exchange or clearing house, government body or agency or any other officially appointed inquiry?

- Yes
- No

**Have any of the Controllers, shareholders, other members of the applicant's Group or Close Links in the last 10 years:**

3-2. been convicted or found guilty by any court of a competent jurisdiction of any offence?

- Yes
- No

3-3. been the subject of disciplinary procedures by a government body or agency or any self-regulatory organisation or other professional body?

- Yes
- No

3-4. contravened any provision of financial services legislation or of rules, regulations, statements of principle or codes of practice made under it or made by a recognised self-regulatory organisation, Financial Services Regulator, Authorised Market Institution or regulated exchange or clearing house?

- Yes

No

**3-5. been refused or had a restriction placed on the right to carry on a trade, business or profession requiring a licence, registration or other permission?**

Yes

No

**3-6. been the subject of an adverse finding or an agreed settlement in a civil action by any court or tribunal of competent jurisdiction resulting in an award against or payment in excess of \$10,000 or awards that total more than \$10,000?**

Yes

No

**3-7. been censured, disciplined, criticised or the subject of a court order at the instigation of any regulatory authority, or any officially appointed inquiry, or any Financial Services Regulator whether publicly or privately?**

Yes

No

**3-8. received a warning (whether public or private) that enforcement action may be taken against them by the DFSA or a Financial Services Regulator?**

Yes

No

**3-9. withdrawn (or been requested to withdraw) an application to any Financial Services Regulator or regulatory authority in the course of an authorisation or licencing process?**

Yes

No

**Other relevant information:**

**3-10. Is there any other information that the applicant would like to disclose that may be relevant to the DFSA's assessment of the applicant's fitness and propriety?**

Yes

No

## 4. Regulatory Test Plan

4-1. Please provide a detailed description of your proposed business activity and innovative product or service

4-2. Please describe your revenue model for each product or service you are offering

4-3. Which of the following types of institutions, if any, will you be working with to provide your services? (Please provide name and address of the provider)

- Custodian
- Bank
- Broker
- Other

4-4. What is the expected testing period?

- 6 months
- 12 months

4-5. What are your testing objectives?

4-6. Proposed parameters of testing during the ITL

- a. Number of Clients
- b. Number of transactions
- c. Average size per transaction
- d. Currency to be used in transactions

4-7. How many Clients does the applicant expect to have during the testing period?

*Please refer to Chapter 2 of COB Module for the different type of Clients*

- a. Professional Clients
- b. Professional Clients classified as Market Counterparties
- c. Retail Clients

4-8. What is your target market? (please note that for the duration of the ITL you are restricted to only UAE residents)

- DIFC
- UAE excluding DIFC
- GCC
- MENA
- Rest of the World

**4-9. Please describe your targeted client segment**

**4-10. Please describe your marketing strategy for each targeted client segment**

**4-11. The applicant obtains its Clients through which of the following sources**

- A transferal of existing Group Clients currently served in another jurisdiction
- Previous employments/relationships
- Marketing activities
- Referrals from other entities via a mandate
- Family and friends
- Other

**4-12. How will you ensure that Clients understand that the product or service you are offering is being tested and the resulting risks?**

- Disclose it on the platform
- Discuss in person
- Embedded in the terms and conditions
- Other

**4-13. Please confirm that**

- Records will be kept in accordance with GEN Rules 5.3.24 to 5.3.27

**4-14. Describe the timeline and key milestones for your proposed testing. (Include commercial, operational, and regulatory milestones)**

**4-15 Describe how testing progress will be reported to the DFSA.**

**4-16. Describe the key risks faced by your business and ways to mitigate these risks including, but not limited to, the following**

- a. Business risks
- b. Financial Risk
- c. Money laundering risks
- d. . Operational risks (cyber security, technology failure, data protection, etc.); and
- e. . Other risks specific to your business

**4-17. Describe your complaints handling procedure. Please refer to GEN chapter 9**

**4-18 Describe the following procedures**

- a. Clients on boarding and verification procedures *Please refer to AML section 7.3*
- b. Customer risk assessment processes and procedures *Please refer to AML section 6.1*
- c. Ongoing CDD procedures *Please refer to AML section 7.6*
- d. Sanction screening and transaction monitoring system if any *Please refer to AML chapter 10*
- e. SAR process *Please refer to Please refer to AML chapter 13*
- f. Highlight any third-party arrangements associated with the above

**4-19. How will you measure that the testing has been successful?**

**4-20. Please note below who will be your main business competitors in this region.**

**4-21. Describe in detail your exit plan if the testing is unsuccessful and the business ceases operations. Please include how you will fulfil your obligations to your testing Clients.**

**4-22. Describe the next steps if the testing is successful and your strategy to deploy the proposal in the broader market after the ITL.**

**4-23. Attach the following documents (draft format is acceptable)**

- a. Client agreement / T&C
- b. Flow chart for the business

## 5. Standing Data

### Information about the legal status of the applicant

5-1. Are you applying as a start-up entity? *Please refer to section 2-5 of the RPP Sourcebook*

5-1a. Are you applying as a DIFC entity or non-DIFC entity?

5-2. What type of entity is the applicant? *Please refer to GEN Rule 7.2.2*

5-3. Trading names (if different from legal name) of applicant firm. For permissible company and trading names for entities established in the DIFC. *please see Chapter 10 of the RPP Sourcebook*

5-4. Country of incorporation of head office or Parent.

5-5. Date of incorporation of head-office or Parent.

5-6. Please upload board minutes or shareholders agreement approving the establishment of a DIFC entity.

5-7. Please upload the following:

#### Non-DIFC entities.

- Please upload the Parent company's latest audited financial statements and certificate of incorporation.

#### DIFC entities.

- for corporate Controllers of the applicant – most recent audited financial statements and certificate(s) of incorporation;
- if the applicant is a member of a Group, the latest Group consolidated audited financial statements; and
- for non-corporate Controllers – full details of origin and source of funds, with supporting evidence.

### Information about the applicant's regulators

5-8. Please provide details of the regulator of your Parent or your head office. Include regulator's contact details and address.

### Close Links

5-9. Does the applicant have any Close Links to any DIFC entities?

Yes

No

## Contact details

5-10. Applicant's contact person for all matters relating to this application i.e. specific individual at firm, not an adviser.

5-11. Applicant's parent/head office address

## Professional Adviser contact details

5-12. Is the applicant using a professional adviser? If so please select the professional adviser from the list below or 'other' if the adviser's details do not appear.

- Yes
- No

## General questions

5-13. Will your business be heavily dependent on bespoke IT systems?

- Yes (provide more information)
- No

5-14. Who is responsible for maintaining IT systems?

Maintained in-house

*Is there a minimum software/hardware configuration requirement in place?*

- Yes
- No

An outsourced provider

*Has due diligence been undertaken to ensure that third party providers have adequate cyber risk control frameworks in place?*

- Yes
- No

**5-15. Is there a process in place to ensure regular systems maintenance?**

Yes

***Does this process include any of the following?***

- Automated software patches
  - Virus updates
  - Firewall updates
- No (Provide more information)

**5-16. Who is responsible for overseeing cyber-security?**

**5-17 Provide background information on the person overseeing cyber-security.**

**Please upload any supporting documents related to the management of IT. (If available)**

**5-18 What is the applicant's financial year end?**

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## 6. Non-Financial Resources

### Staffing and recruitment

6-1. How many staff will be employed at the DIFC office during the test period? (You are required by UAE Federal Law to have premises in the DIFC)

6-2. What roles will each staff member undertake in the DIFC entity?

6-3. Please upload a proposed staff organisation chart.

6-4. Who will be responsible for the following Functions (A Separate form must be submitted by the applicant and individual applying to the DFSA for the individual to be an Authorised Individual)

- a. Senior Executive Officer
- b. Compliance Officer
- c. Money Laundering and Reporting Officer
- d. Finance Officer

Please tick the boxes below to confirm:

- 6-5. all staff involved with DIFC operations have been assessed as fit & proper in accordance with GEN Rule 5.3.19.
- 6-6. all staff involved with DIFC operations have been assessed as competent and capable in accordance with GEN Rule 5.3.19.
- 6-7. all staff involved with DIFC operations will be appropriately trained, at point of licensing, in the requirements of the legislation applicable in the DIFC, including, but not limited to, DFSA rules.
- 6-8. the applicant has policies and a training plan to ensure all staff maintain their competency.

### Outsourcing

6-9. Please tick the boxes below to indicate functions that have been outsourced:

- Compliance Officer
- Money Laundering Reporting Officer
- Finance Officer
- Risk management officer
- Internal audit
- Human resource management
- General accounting
- None of the functions are outsourced

How many hours a month will the Compliance Officer spend with the applicant?

How many hours a month will the Money Laundering Reporting Officer spend with the applicant?

How many hours a month will the Finance Officer spend with the applicant?

How many hours a month will the Risk management officer spend with the applicant?

6-10. Please confirm that by outsourcing key functions, the applicant understands and is in compliance with GEN Rule 5.3.21

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## 7. Ownership Information

At the point of authorising a firm the DFSA needs to clearly understand the precise ownership of the applicant.

### 7-1. Shareholders/partners

Complete the table below with all shareholders/partners of the applicant.

- For individual shareholders/partners, please quote their name as it appears in their passport.
- For corporate shareholders/partners, please quote the corporate entities' registered or incorporated name.

If the applicant is a public listed company, note in row 1 and include the percentage of public listing.

Name	Percentage of holding-number (sum, must equal 100%)	Corporate	Individual	Please tick if individual is an Authorised Individual	Please tick if individual is an ultimate beneficial owner

### 7-2. Ownership structure

Please upload an “organogram” of the applicant's complete ownership structure. This applies to both DIFC firms and non-DIFC firms. If the structure includes any corporate entities, trust or similar vehicles, these should be fully explained. For trusts include full details of the beneficiaries and settlors.

The ownership structure should include, at a minimum, the information listed below.

- All shareholders (corporate and non-corporate) from immediate through to the ultimate beneficial owners (see question 7-3), showing all intervening companies (including non-operational companies);
- Each shareholder's percentage of ownership;
- All Controllers; and
- Any companies within the overall Group that are regulated noting the relevant jurisdiction/regulator.

### 7-3. Beneficial owners of the applicant

Complete the table below with all beneficial owners of the applicant.

A beneficial owner is the natural person who ultimately owns the applicant, either directly or indirectly. This will include a situation where ownership is exercised through a chain of ownership. If the applicant is a public listed company, note in row 1 and include the percentage of public listing.

Name	Percentage of holding-number (sum, must equal 100%)	Date of birth	Nationality	Passport number

## Start Up entities - Initial Capital

The applicant must provide a detailed breakdown of origin of the initial capital including percentages received from each source/contributor.

### 7-4. Natural persons contributing capital

Each natural person contributing capital is required to upload a declaration of net worth statement. This should specify the amount of their contribution with relevant supporting documents/evidence such as recent bank statements and salary letters in evidence of their sources of wealth.

### 7-5. Corporate entities contributing capital

Each corporate entity contributing capital is required to upload their most recent audited financial statements.

The DFSA may require applicants with a complex structure to separately submit additional information to identify all controllers and ultimate beneficial owners. This may incur additional fees as specified in FER Rule 2.1.1(3).

## 8. Corporate Governance

### Chair of Board

8-1. Who will be the chairperson of the applicant's Board of Directors? (provide full name and address)

### Governing Body

8-2. Please provide details of Governing Body members (Name and position (executive, non-executive, independent) within the board)

8-3. Do any of the directors have previous Financial Services experience?

- Yes
- No (Please explain why the proposed director is suitable to fulfil the position applied for)

8-4. Do any of the directors have previous DIFC experience?

- Yes
- No (Please explain why the proposed director is suitable to fulfil the position applied for)

8-5. Will the directors receive specific DIFC/DFSA training?

- Yes
- No (Please explain why the proposed director is suitable to fulfil the position applied for)

8-6. In the first 12 months after licensing, how frequent will the Governing Body meet (minimum quarterly)?

- Quarterly
- Bi Monthly
- Monthly
- Other (provide details)

## 9. Financial Services Activities

9-1. Please select the Financial Services and relevant instruments the applicant requires.  
Refer to GEN Module

- Accepting Deposits
- Providing Credit
- Providing Money Services
  - Providing currency exchange*
  - Providing Money Transmission*
  - Providing or operating a Payment Account*
  - Executing Payment Transactions on a Payment Account provided or operated by another Person*
  - Issuing Payment Instruments*
  - Issuing Stored Value*
- Dealing in Investments as Principal
  - Shares*
  - Debentures*
  - Warrants*
  - Certificate*
  - Options*
  - Units*
  - Futures*
  - Structured Products*
- Dealing in Investments as Agent
  - Shares*
  - Debentures*
  - Warrants*
  - Certificates*
  - Options*
  - Units*
  - Futures*

- Structured Products*
- Arranging Deals in Investments**
- Shares*
- Debentures*
- Warrants*
- Certificates*
- Options*
- Units*
- Futures*
- Structured Products*
- Rights under a LTI contract*
- Managing Assets**
- Shares*
- Debentures*
- Warrants*
- Certificates*
- Options*
- Units*
- Futures*
- Structured Products*
- Rights under a LTI contract*
- Advising on Financial Products**
- Shares*
- Debentures*
- Warrants*
- Certificates*
- Options*
- Units*
- Futures*

- Structured Products*
- Rights under a LTI contract*
- Deposit*
- PSIA*
- Interest in an Employee Money Purchase Scheme*

Managing a Collective Investment Fund

Providing Custody

- Shares*
- Debentures*
- Warrants*
- Certificates*
- Options*
- Units*
- Futures*

*Structured Products*

Arranging Custody

- Shares*
- Debentures*
- Warrants*
- Certificates*
- Options*
- Units*
- Futures*

*Structured Products*

Effecting Contracts of Insurance

Carrying Out Contracts of Insurance

Operating an Exchange

Operating a Clearing House

Insurance Intermediation

- Insurance Management
- Managing a Profit Sharing Investment Account
- Operating an Alternative Trading System
- Shares*
- Debentures*
- Warrants*
- Certificates*
- Options*
- Units*
- Futures*
- Structured Products*
- Rights under a LTI contract*
- Providing Trust Services
- Providing Fund Administration
- Acting as the Trustee of a Fund
- Operating a Representative Office
- Operating a Credit Rating Agency
- Arranging Credit and Advising on Credit
- Operating a Crowdfunding Platform
- Loan Crowdfunding Platform*
- Investment Crowdfunding Platform*
- Property Investment Crowdfunding Platform*
- Operating an Employee Money Purchase Scheme
- Acting as the Administrator of an Employee Money Purchase Scheme
- Arranging or Advising on Money Services
- Making arrangements for another Person to receive Money Services*
- Giving advice to another Person on the merits of using a particular Money Service Provider*
- Providing an Account Information Service*
- Providing an Account Initiation Service*

## Endorsements

**9-2. Will you carry on Financial Services with Retail Clients?** *Please refer to Chapter 2 of COB Module for definition of Retail Clients*

- Yes  
 No

**9-3. Will you hold or control Client Assets or hold Insurance Monies?** *Please refer to COB Rules 6.11; 6.12; 6.13; 7.12.*

- Yes  
 No

**Please describe your procedures and systems and controls covering such matters as Client Assets, and reconciliation requirements.**

**Please attach a flowchart for the movement of Client Money**

**9-4. Will you be conducting Islamic Financial Business?** *Please refer to GLO Module for the definition of Islamic Financial Business*

- Yes  
 No

**In what manner will you be conducting the Islamic Financial Business?**

- As an Islamic Financial Institution  
 Through an Islamic Window

**Please attach a flowchart for each Transaction type that you intend to undertake identifying the underlying Shari'a compliant contract(s) that would apply to the Islamic products or services being offered. This should also include Clients, counterparties, Service Providers, the flow of funds, assets and confirmations.**

## 10. Prudential Information

**10-1 Year 1 summary, please complete the below table in USD (000's):**

	During ITL	Year 1 post ITL	Year 2 post ITL
Total Income			
Total Expenses			
Net Profit (loss)			
Opening Balance Retained Earnings			
Dividend Paid			

Retained Profit for the Year			
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**10-2 Please provide detailed assumptions of the forecasted financials provided above (assumptions should be related to both forecasted revenue and expenses)**

**10-3. Please explain what contingency plans you have in place in the event that income projections are not met**

**10-4. What is the paid-up capital of the proposed DIFC entity**

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## 11. Fees

Once the DFSA has received a completed application, an invoice for the required fees will be sent to the individual identified as the main contact.

Please see the Fees module of the DFSA Rulebook for details on application fees and those from whom the DFSA can accept payments.

Applicants with a complex control structure may incur additional fees as specified in FER Rule 2.1.1(3).

Applications will not be processed until the relevant fee is paid in full.

Please do not forward any payments to the DFSA prior to receiving an invoice.

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## 12. Declarations

### Declarations to be made by the signatories

#### Signatory

Name:

Position:

Date reviewed:

- I declare that, to the best of my knowledge and belief, having made due enquiry, the information given in this form, the supplements and documents attached, as well as any applicable supporting documents, is complete and correct.
- I understand that it is a contravention of Article 66 of the Regulatory Law 2004 to provide the DFSA with 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.
- For the purposes of complying with the DIFC Data Protection Law 2020, 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.
- I consent to the DFSA contacting any organisation to verify any of the information contained in this application.
- I confirm that I have the authority to complete this application, to declare as specified above and sign this form for, or on behalf of, the applicant.

#### Please select the basis of your authority to sign this application.

- Proposed Senior Executive Officer
- Proposed Director
- Director of Head Office/ or Controlling entity
- Senior Manager of Head Office entity
- Other (provide details)

#### Signature