

Appendix 2

In this appendix underlining indicates new text and striking through indicates deleted text.

*Note that some text set out in the Appendix is not being amended, but is included for context.



The DFSA Rulebook

Prudential – Investment, Insurance
Intermediation and
Banking Module

(PIB)

1 APPLICATION, INTERPRETATION AND CATEGORISATION

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1.3 Categories of Authorised Firms

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Category 3C

1.3.5 An Authorised Firm is in Category 3C if:

- (a) its Licence authorises it to carry on one or more of the Financial Services of:
 - (i) Managing Assets;
 - (ii) Managing a Collective Investment Fund;
 - (iii) Providing Custody (where it does so other than for a Fund);
 - (iv) Managing a PSIA (which is a PSIAr); or
 - (v) Providing Trust Services (where it is acting as trustee in respect of at least one express trust); and
- (b) it does not meet the criteria of Categories 1, 2, 3A, 3B or 5.

Guidance

A Category 3C Authorised Firm may be authorised to conduct other Financial Services, but it is the authorisation for Managing Assets, Managing a Collective Investment Fund, Providing Custody other than for a Fund, Managing a PSIA which is a PSIAr, or Providing Trust Services (where it is acting as a trustee in respect of at least one express trust), and the absence of authorisation for the activities specified in Rules 1.3.1, 1.3.2, 1.3.3 and 1.3.4 that are determinative of its belonging to Category 3C.

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3 CAPITAL

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PART 3 – Calculating the Capital Requirement

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3.5 Capital Requirements for Categories 3B, 3C and 4

3.5.1 This section applies to an Authorised Firm in Category 3B, 3C or 4.

3.5.2 The Capital Requirement for such an Authorised Firm is calculated as the higher of:

- (a) the applicable Base Capital Requirement as set out in section 3.6; or
- (b) the Expenditure Based Capital Minimum as set out in section 3.7.

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3.6 Base Capital Requirement

3.6.1 This section applies to an Authorised Firm in any Category.

Guidance

The Base Capital Requirement is a component of the calculation of the Capital Requirement under sections 3.3, 3.4 and 3.5.

3.6.2 The table below sets out the Base Capital Requirement for each Category of an Authorised Firm.

PRUDENTIAL – INVESTMENT, INSURANCE INTERMEDIATION AND BANKING (PIB)

Category	Base Capital Requirement
Category 1	US \$10 million
Category 2	US \$2 million
Category 3A	US \$500,000
Category 3B	US \$4 million
Category 3C	<p>US \$500,000</p> <p><u>Except if the only Financial Service referred to in Rule 1.3.5(a) that the Authorised Firm is authorised to carry on is Managing a Collective Investment Fund in which case its Base Capital Requirement is:</u></p> <p><u>(a) US \$140,000 if it manages any Public Fund; or</u></p> <p><u>(b) US \$70,000 otherwise.</u></p>
Category 4	US \$ 10,000
Category 5	US \$10 million

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