

ANNEX B

In this Annex, underlining indicates new text and striking through indicates deleted text.



AUTHORISATION (AUT)

3 APPLICATION FOR A LICENCE

3.2 Licence application

- 3.2.2** (1) The DFSA will only consider an application for a Licence from an applicant who, subject to (2) and (3), is:
- (a) a Body Corporate;
 - (b) a Partnership; or
 - (c) an unincorporated association;
- and who is not an Authorised Market Institution.
- (2) If the application is in respect of either or both of the following Financial Services:
- (a) Effecting Contracts of Insurance; or
 - (b) Carrying Out Contracts of Insurance,
- the applicant must be a Body Corporate.
- (3) If the application is in respect of the Financial Service of Accepting Deposits, the applicant must be a Body Corporate or a Partnership.
- (4) If the application is in respect of the Financial Service of Operating a Collective Investment Fund, the applicant must be a Body Corporate.

6 WITHDRAWAL OF A LICENCE

6.1 Application

- 6.1.1** This chapter applies to an Authorised Firm applying to have its Licence withdrawn.

6.2 Withdrawal of a licence at an Authorised Firm's request

6.2.1 An Authorised Firm seeking to have its Licence withdrawn must submit a request in writing stating:

- (a) the reasons for the request;
- (b) that it has ceased or will cease to carry on Financial Services in or from the DIFC;
- (c) the date on which it ceased or will cease to carry on Financial Services in or from the DIFC; and
- (d) that it has discharged, or will discharge, all obligations owed to its customers in respect of whom the Authorised Firm has carried on, or will cease to carry on, Financial Services in or from the DIFC.
- (e) if it is providing Trust Services, that it has made appropriate arrangements for the transfer of business to a new trust service provider and the appointment, where necessary, of new trustees.

Guidance

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8. Where an Operator makes a request under Rule 6.2.1, an Operator will need to satisfy the DFSA that it has made appropriate arrangements in accordance with the requirements under the Collective Investment Law 2006 and the Rules in CIR with respect to the continuing operation of the Fund for which it is the Operator.

10 LICENSED FUNCTIONS

10.2 Functions

10.2.2 Licensed Functions:

Responsible officer

- (i) The Responsible Officer function is carried out by an individual who:
 - (i) has significant responsibility for the management of one or more aspects of an Authorised Firm's affairs;
 - (ii) exercises a significant influence on the firm as a result of (a); and
 - (iii) is not an Employee of the Authorised Firm.

Guidance

1. The Licensed Function of Responsible Officer applies to an individual employed by a Controller or other Group company who is not an Employee of the Authorised Firm, but who has significant responsibility for, or for exercising a significant influence on, the management of one or more aspects of the Authorised Firm's business.
2. Examples of a Responsible Officer might include an individual responsible for the overall strategic direction of an Authorised Firm or a regional manager to whom a Senior Executive Officer reports and from whom he takes direction.
3. The DFSA would expect the Operator of a Fund to appoint at least one individual other than the Senior Executive Officer to carry out Senior Manager functions in relation to the Fund such as managing operational risk and other internal controls

App1 GUIDANCE ON FITNESS AND PROPRIETY

A1.2 An Authorised Firm

Guidance

Legal status

2. In respect of Effecting Contracts of Insurance or Carrying on Contracts of Insurance and Operating a Collective Investment Fund, an Authorised Firm is required to be a Body Corporate in accordance with AUT Rules 3.2.2(2) and 3.2.2(4) respectively.
3. In respect of Accepting Deposits or seeking to Accept Deposits, an Authorised Firm must be a Body Corporate or Partnership in accordance with AUT Rule 3.2.2(3).