

ANNEX B

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

AUT**PART 2 - AUTHORISED FIRMS****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 or Acting as the Trustee of a 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6.1.1 This chapter applies to an Authorised Firm applying to have its Licence withdrawn.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6.2.1 An Authorised Firm seeking to have its Licence withdrawn must submit a request in writing stating: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;
- (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; and
- (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.

[Added] [VER3/01/06]

Guidance

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8. Where an Operator or the Trustee makes a request under Rule 6.2.1, the Operator or the Trustee 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 or the Trustee, as the case may be.

App1 GUIDANCE ON FITNESS AND PROPRIETY

A1.2 An Authorised Firm

Guidance

Locations of offices and close links

1. An Authorised Firm will need to satisfy the DFSA that it is in compliance with GEN chapter 6. In particular:
 - a. GEN section 6.5 requires that if an Authorised Firm is a Body Corporate constituted under the laws of the DIFC it must maintain its head office and registered office in the DIFC. If the Authorised Firm is a Partnership with its head office in the DIFC, it must carry on business in the DIFC. In considering the location of an Authorised Firm's head office, the DFSA shall have regard to the location of its directors, partners, and senior management with respect to its strategic, operational and administrative arrangements.
 - b. GEN section 6.6 concerns Close Links. The DFSA must be satisfied that the existence of Close Links do not prevent the effective supervision of the Authorised Firm by the DFSA. Where the DFSA is not satisfied concerning an Authorised Firm's Close Links, an application for a Licence or an extension of the scope of a Licence will not be granted, and an existing Licence may be revoked.

Legal status

2. In respect of Effecting Contracts of Insurance, ~~or~~ Carrying ~~on~~ Out Contracts of Insurance, Acting as the Trustee of a Fund, or ~~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).