

Appendix 2.

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

The DFSA Rulebook

Collective Investment Rules Module

(CIR)

~~21~~ ~~FEES~~ ~~[Deleted]~~

~~21.1~~ ~~Application~~

~~21.1.1~~ This chapter applies to:

- ~~(a)~~ a Person seeking to register a Domestic Fund which is a Public Fund;
- ~~(b)~~ an Operator of a Domestic Fund in relation to annual fees; and
- ~~(c)~~ an Operator or in the case of an Investment Trust, the Trustee in relation to the winding up of its Domestic Fund or the transfer in whole or in part of the Fund's property to another body in accordance with the Law and Regulatory Law 2004.

~~Guidance~~

- ~~1.~~ The Rules in respect of fees in this chapter relate to the Fund, whereas, the Rules in respect of fees in Chapter 7 of GEN relate to the Operator and Trustee as Authorised Firm's or as the Person applying to be the Operator or Trustee of a Fund.
- ~~2.~~ Appendix 4 sets out the relevant fees and is subject to annual review and consequently may vary from one financial year to the next. Accordingly, following consultation, an amended Appendix will be issued in such cases.

~~21.2~~ ~~General provisions~~

~~21.2.1~~ Where a fee is payable for any application or notification to the DFSA, the application or notification will not be regarded as submitted until the fee and any supplementary fee has been paid in full.

~~21.2.2~~ Where an annual fee or supplementary fee in relation to ongoing supervision is due from any Person under a provision of these Rules, the Person must pay it by the date on which it becomes due. If he fails to do so then, without limiting the right of the DFSA to take any other action, the sum due shall be increased by 1% for each calendar month, or part of a calendar month, that it remains outstanding beyond the due date.

~~Guidance~~

~~If a fee is not paid by the date on which it becomes due, the Person is in breach of a Rule and the DFSA is entitled to take action including, but not limited to, taking steps to withdraw authorisation to conduct one or more Financial Services.~~

~~21.2.3~~ The DFSA may reduce, waive or refund all or part of any fee if it considers that, in the exceptional circumstances of a particular case, it would be equitable to do so.

- 21.2.4** (1) The DFSA may require a Person to pay to the DFSA a supplementary fee in circumstances where it expects to incur substantial additional costs in dealing with an application, notification or conducting ongoing supervision.
- (2) In such cases the DFSA will notify the Person as soon as reasonably possible of the amount of the supplementary fee.

Guidance

1. A supplementary fee may be levied by the DFSA because it expects that certain applications or notifications will require more intensive scrutiny than others. An example is where the Operator delegates activities or out sources functions to an entity in another jurisdiction or to several entities in different jurisdictions where there are not or are not expected to be in place arrangements for co operation between the DFSA and the relevant regulators in those jurisdictions.
2. A supplementary fee may also be levied by the DFSA in cases where the ongoing supervision of the Domestic Fund appears to the DFSA to be likely to cause it to incur substantial additional costs.

21.3 Registration and event fees for a fund

21.3.1 The Operator or a Person proposing to be the Operator of a Domestic Fund which is a Public Fund must pay to the DFSA the applicable fee specified in section A4.1 and, as appropriate, any supplementary fee required by the DFSA, to register the Fund.

21.3.2 The Operator or, in the case of an Investment Trust, the Trustee of a Domestic Fund must pay to the DFSA the applicable fee specified in section A4.2 when seeking the DFSA's consent to winding up a Fund or transferring the property of a Fund to another body.

21.4 Annual fees for a fund

21.4.1 The Operator must pay to the DFSA:

- (a) the applicable fee specified in section A4.3; and
- (b) any supplementary fee required by the DFSA.

21.4.2 (1) The initial annual fee must be paid by the Operator in full to the DFSA within 21 days of the date on which the registration is granted or the notification made.

(2) Subsequent annual fees must be paid in full to the DFSA on or before 1 January of any calendar year.

Guidance

In regard to the payment of an annual fee on or before 1 January, invoices will be issued at least 21 days before that date.

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App 4—FEES [Deleted]

A4.1—Registration fees for a Public Fund

A4.1.1—A Person applying to register a Domestic Fund which is a Public Fund must pay \$5,000 plus, where the Public Fund is an Umbrella Fund, \$2,500 for each of its sub-funds up to a maximum of \$20,000.

A4.2—Event fees

A4.2.1—A Person seeking the DFSA consent to the winding up of a Domestic Fund or the transfer of the property of a Fund to another body must pay \$10,000.

A4.3—Annual fees for Public Funds and Private Funds

- A4.3.1**—(1) An Operator must pay to the DFSA in respect of its Domestic Fund an annual fee for any period of operation after:
- (a) in the case of a Public Fund, its registration; or
 - (b) in the case of a Private Fund, its notification to the DFSA pursuant to Part 8 of the Law.
- (2) The initial annual fee, for the initial period of operation of the Fund, is the fee which is payable in accordance with (3), multiplied by the number of whole calendar months between the date of registration or notification and the end of the year and divided by 12.
- (3) The annual fee is:
- (a) the amount calculated by multiplying the net asset value of the Fund by 0.001; or
 - (b) in the case of an Umbrella Fund, the amount calculated by adding together the net asset value of each of its sub-funds and multiplying that total figure by 0.001.
- (4) The annual fee shall be subject to a minimum amount of \$ 10,000 and maximum amount of \$ 50,000.
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