

**Appendix 4**

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



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# The DFSA Rulebook

## Fees Module

### **(FER)**

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## 1 INTRODUCTION

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### 1.2 General provisions

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- 1.2.6**
- (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.
  - (3) Such a supplementary fee is applicable in respect of any fee payable under chapter 2 or 3 other than a fee under section 2.6, 2.7, 3.7 or 3.8.

#### 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.
2. An example is where the entity is a Branch from a jurisdiction where there are not or are not expected to be in place arrangements for co-operation between the DFSA and the relevant regulators in that jurisdiction. Equally, where the entity is incorporated in the DIFC, a full analysis of the prudential and systems arrangements will be required.
3. A further example is where the Fund Manager Operator of a Domestic Fund delegates activities or outsources 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.
4. A supplementary fee may also be levied by the DFSA in cases where the ongoing supervision of the Authorised Person or Domestic Fund appears to the DFSA to be likely to cause it to incur substantial additional costs.

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## 2. APPLICATION FEES

### 2.1 Application for a Licence

**2.1.1** (1) An applicant applying for a Licence authorising it to carry on one or more Financial Services specified in the left hand column of the table in (2) must pay to the DFSA the highest of the corresponding fees in the right hand column of the table.

(2) This is the table referred to in (1):

Accepting Deposits or Providing Credit.	\$70,000
Dealing in Investments as Principal (except as a matched principal).	\$40,000
Effecting Contracts of Insurance or Carrying Out Contracts of Insurance (except as a Captive Insurer, as a PCC, or as an ISPV).	\$40,000
<u>Managing</u> <u>Operating</u> a Collective Investment Fund (except as an Umbrella Fund).	<del>\$40,000</del> \$10,000
Operating an Alternative Trading System.	\$40,000
Dealing in Investments as a matched principal.	\$25,000
Dealing in Investments as Agent.	\$25,000
Managing Assets.	\$25,000
Providing Custody.	\$25,000
Managing a Profit Sharing Investment Account.	\$25,000
Providing Trust Services.	\$25,000
Acting as the Trustee of a Fund.	\$25,000
Arranging Credit or Deals in Investments.	\$15,000
Advising on Financial Products or Credit.	\$15,000
Arranging Custody.	\$15,000
Insurance Intermediation.	\$15,000

Insurance Management.	\$15,000
Effecting Contracts of Insurance or Carrying Out Contracts of Insurance as a Captive Insurer or as an ISPV.	\$5,500
Effecting Contracts of Insurance or Carrying Out Contracts of Insurance as a PCC:	
(a) for the core; and	\$8,000
(b) for each cell	\$1,000
Providing Fund Administration.	\$15,000
<u>Managing an Umbrella Fund:</u>	
(a) for the Umbrella; and	<u>\$8,000</u>
(b) for each Sub-Fund.	<u>\$1,000</u>

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## **2.4 Application to register a Public Fund**

**2.4.1** The Fund Manager Operator or the Person proposing to be the Fund Manager Operator of a Domestic Fund which is a Public Fund, who is applying to register the Fund must pay to the DFSA an application fee of \$1,000 ~~5,000~~ plus, where the Public Fund is an Umbrella Fund, \$1,000 ~~2,500~~ for each of its sub-funds up to a maximum of ~~\$20,000~~.

## **2.5 ~~[deleted]~~ Application to Wind up a Domestic Fund**

**2.5.1** ~~[deleted]~~ The Operator or, in the case of an Investment Trust, the Trustee of a Domestic Fund, seeking the DFSA's consent to the winding up of a Domestic Fund or the transfer of the property of a Fund to another body must pay to the DFSA an application fee of ~~\$10,000~~.

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### 3 PERIODIC FEES

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#### 3.2 Authorised Firms (subsequent periods)

- 3.2.1** (1) An Authorised Firm must pay to the DFSA an annual fee for any period of regulation after the initial period described in Rule 3.1.1.
- (2) The annual fee is:
- (a) the highest of the fees specified in the right hand column of the table in (3) corresponding to the Financial Services specified in the left hand column of the table which the Authorised Firm is authorised to carry on under its Licence; plus
- (b) \$1,000 for each complete \$1,000,000 of expenditure, where “expenditure” has the meaning given in Rule 3.2.2.
- (3) This is the table referred to in (2) (a):

Accepting Deposits or Providing Credit.	\$70,000
Dealing in Investments as Principal (except as a matched principal).	\$40,000
Effecting Contracts of Insurance or Carrying Out Contracts of Insurance where the Authorised Firm is not carrying on business as a Captive Insurer, as a PCC, or as an ISPV.	\$40,000
<del>Managing</del> <del>Operating</del> a Collective Investment Fund (except as an Umbrella Fund).	<del>\$40,000</del> \$10,000
Operating an Alternative Trading System.	\$40,000
Dealing in Investments as a matched principal.	\$25,000
Dealing in Investments as Agent.	\$25,000
Managing Assets.	\$25,000
Providing Custody.	\$25,000
Managing a Profit Sharing Investment Account.	\$25,000
Providing Trust Services.	\$25,000

Acting as the Trustee of a Fund.	\$25,000
Arranging Credit or Deals in Investments.	\$15,000
Advising on Financial Products or Credit.	\$15,000
Arranging Custody.	\$15,000
Insurance Intermediation.	\$15,000
Insurance Management.	\$15,000
Effecting Contracts of Insurance or Carrying Out Contracts of Insurance where the Authorised Firm is carrying on business as a Captive Insurer or as an ISPV.	\$5,500
Effecting Contracts of Insurance or Carrying Out Contracts of Insurance where the Authorised Firm is carrying on business as a PCC:	
(a) for the core; and	\$8,000
(b) for each cell	\$1,000
Providing Fund Administration.	\$15,000
<u>Managing an Umbrella Fund:</u>	
<u>(a) for the Umbrella; and</u>	<u>\$8,000</u>
<u>(b) for each Sub-Fund.</u>	<u>\$1,000</u>

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### **3.9 Domestic Funds (initial period)**

- 3.9.1** (1) A Fund Manager Operator must pay to the DFSA in respect of each Domestic Fund for which it is the Fund Manager Operator the initial annual fee prescribed in (3) for the period immediately following registration or notification until the end of the year.
- (2) The initial annual fee must be paid to the DFSA:
- (a) in the case of a Public Fund, at the time of registration; and
  - (b) in the case of a Private Fund, at the time of notification to the DFSA pursuant to Article 34 Part 8 of the Collective Investment Law 2006 2010; and
  - (c) in the case of an Exempt Fund, at the time of notification to the DFSA pursuant to Article 34 of the Collective Investment Law 2010.

- (3) The initial annual fee is \$4,000.:
- (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;~~
- ~~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.~~
- (4) ~~The net asset valuation, for the purposes of (3), is the net asset value as at the date of registration or notification.~~
- (5) ~~The initial annual fee in (3) is subject to a minimum amount of \$10,000 and a maximum amount of \$50,000.~~

### **3.10 Domestic Funds (subsequent periods)**

- 3.10.1** (1) A Fund Manager ~~n-Operator~~ must pay to the DFSA in respect of each Domestic Fund for which it is the Fund Manager ~~Operator~~ the annual fee prescribed in (2) for any period after the initial period described in Rule 3.9.1.
- (2) The annual fee for any period after the initial period is \$4,000.:
- (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.~~
- (3) ~~The net asset value, for the purposes of (2), is the net asset value:~~
- (a) ~~determined on 10 November (of the year immediately prior to the calendar year for which the fee is payable);~~
  - (b) ~~determined at the most recent valuation conducted prior to the date in (a) if no valuation was conducted for the date in (a); or~~
  - (c) ~~as at the date of registration or notification, if the registration or notification of a Fund takes place after the date in (a);~~
- ~~calculated in accordance with CIR section 6.5.~~
- (4) ~~The annual fee in (2) is subject to a minimum amount of \$10,000 and a maximum amount of \$50,000.~~