

BY E-MAIL

July 15 2015

To the Senior Executive Officers of Authorised Firms

RE: DFSA policy on permissible company and trading names for entities established in the DIFC

Dear SEO,

The DFSA has published today its policy approach on permissible company and trading names for entities established in the DIFC (the **naming policy**).

Why have we published the naming policy?

Naming conventions for Authorised Firms are an important element of consumer protection. The naming policy aims to ensure that entities operating in or from the DIFC use names that are fair and clear so as not to mislead consumers. It contains the guiding principles that the DFSA has adopted, its general policy, exceptions to the policy and how it will use its powers to control the use of misleading names by DIFC entities.

We have published the naming policy because, since August 2014, the DFSA has had a power, under Article 75 of the Regulatory Law 2004, to prohibit an Authorised Person from using a particular name or description in respect of the Authorised Person. To date, the DFSA has not used this power. However, the DFSA considered that, in the interests of transparency, it was an appropriate time to publish its naming policy to ensure that Authorised Persons are aware of the policy and may act accordingly.

Where can I find the naming policy?

The DFSA has published this naming policy as Chapter 10 of the Regulatory Policy and Process (**RPP**) Module of the DFSA Sourcebook. While the naming policy may only affect a limited number of Authorised Persons, I strongly suggest that you read this new RPP chapter as it could be relevant to your firm.

Other relevant requirements

Under the DIFC Companies Regulations, General Partnership Regulations and the Limited Liability Partnership Regulations, a person needs to obtain the prior approval of the DFSA if their proposed company or partnership name contains:

- the word “bank”, “insurance” or “trust”;
- words which suggest that it is a bank, an insurance company or trust company; or
- words which suggest in some other way that it is authorised to carry on a Financial Service within the DIFC.



In exercising the above power, the DFSA will generally consider if a firm's use of a particular name might be misleading to the public.

Next steps

After reading the naming policy, you should first consider if it affects the name of your firm. If you determine that it does or could, we recommend you contact us to confirm that your firm needs a name change. We will work with you to set out a timetable for transitioning to an agreed new name for your firm. We generally look at substance over form when considering requests to use a particular name and we will generally allow a **six** month period to transition to a new name. However, we may exceptionally allow a longer period if you can give a compelling reason for us to do so.

Additionally, the DFSA will shortly undertake its own review of Authorised Firms' names to identify if any firms are currently using a name which is contrary to the naming policy. If we have any concerns about the name of your firm, we will contact you accordingly.

If you have any questions about the naming policy, please contact the DFSA. You can do so either through your designated relationship manager or via the *Supervised Firm Contact Form* if the Thematic Supervision Team supervises your firm.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bryan Stirewalt', is written over a light blue horizontal line.

Bryan Stirewalt
Managing Director, Supervision

Cc: Compliance Officers of Authorised Firms