

DFSA OUTREACH

4 June 2015

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**“BREAKOUT GROUP 3”
AUTHORISATIONS UPDATE**

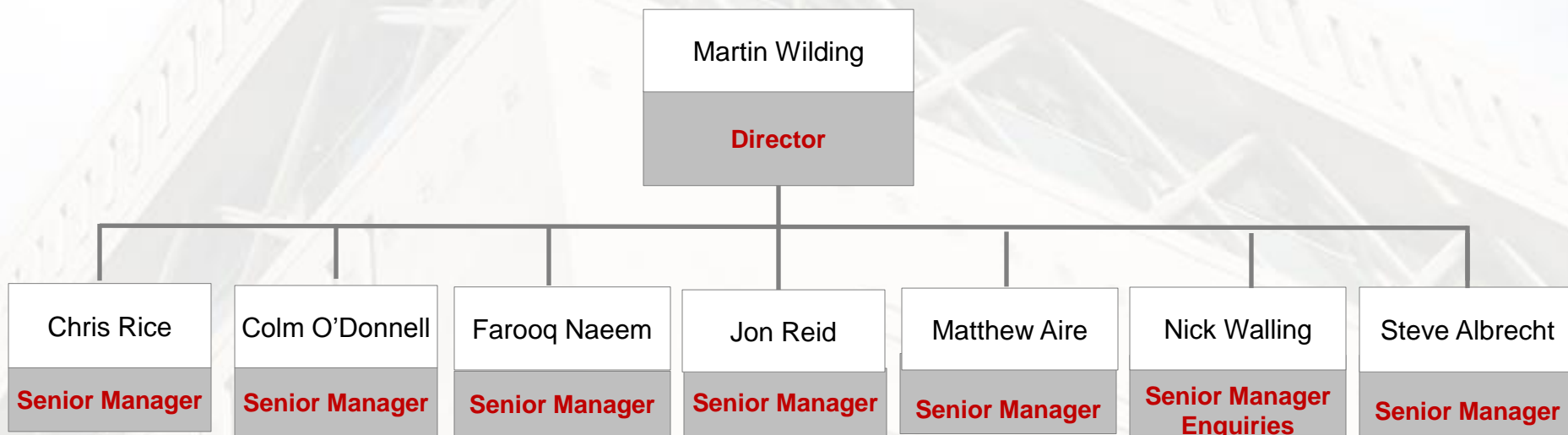
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4 June 2015**

Agenda

1. Authorisation Team Update
2. Statistics
3. Improvements
4. Current Authorisation Issues
5. How You Can Help
6. Questions

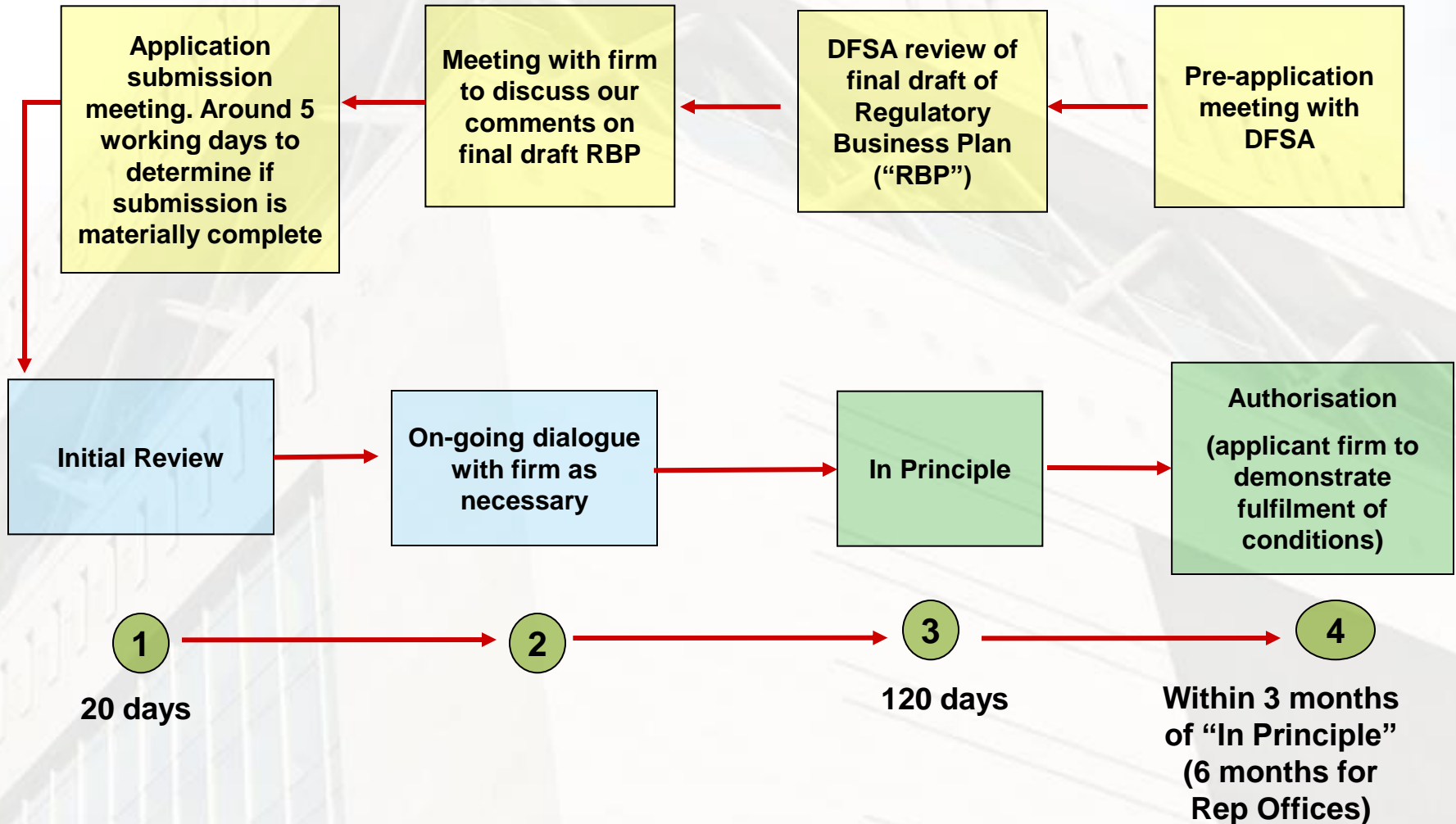
1. Authorisation Team Update

Authorisation Team

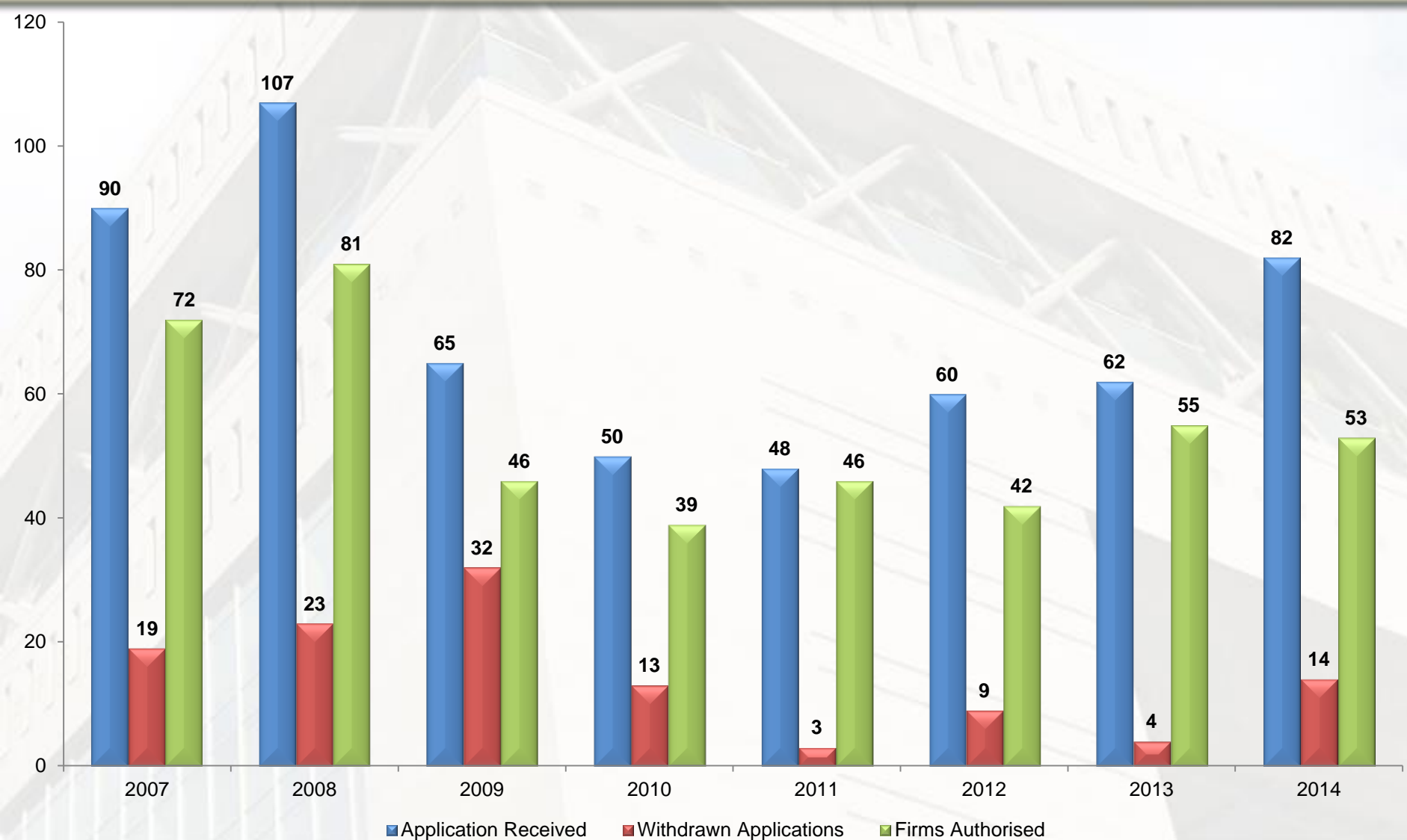


- 180+ years accumulated financial services knowledge.
- Specialisms in Asset Management, Funds, Insurance, Wealth Management, Audit & Accounting.
- Additionally, the team includes at least one “rolling” Tomorrow’s Regulatory Leader (“TRL”) trainee at all times.

2. Statistics - Authorisation Process

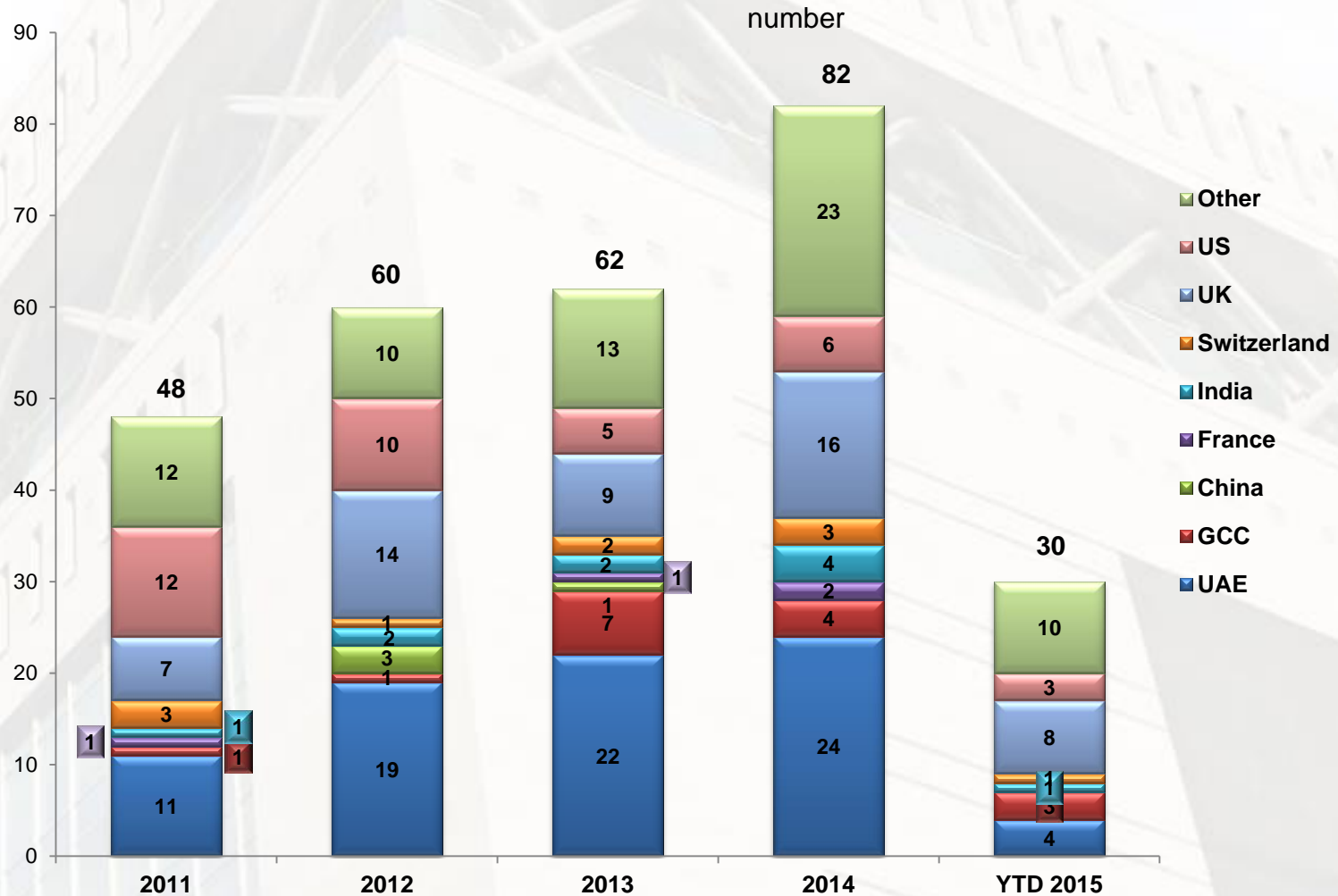


Authorisation Trends 2007 to 2014



2015 Authorisation Application Activity

Authorised Firm Applications Accepted



New Applications Coming From Less Familiar Jurisdictions...

Country of Origin	Accepted in 2015	Authorised in 2015
Australia	1	
British Virgin Is.		1
Bahrain	1	
Cayman Is.		1
Cyprus		1
France		1
India	1	1
Ireland	2	
Italy	1	
Jersey		1
Jordan		1
Korea, Republic of	1	
Lebanon		2
Mauritius	1	
Montenegro	1	
Netherlands	1	1
Nigeria		1
Qatar	1	
Saudi Arabia	1	2
Singapore	1	1
Sweden	1	
Switzerland	1	1
United Arab Emirates	4	9
United Kingdom	8	4
United States	3	3
Totals	30	31

Current DFSA Firm Population

As at 31st May 2015:

380 Authorised Firms (“AFs”)

93 DNFBPs

16 Registered Auditors

Plus a Strong “Pipeline” Of Applicant Firms:

21 AFs “In Principle”

23 AFs “Work in Progress”

3. Improvements

Re-cap on January 2015 changes...

Key changes for lower risk firms introduced in 2015 included:

- No requirement to submit Head Office “Financials” where DFSA can obtain a satisfactory Home State Regulator reference.
- Receipt of Home State reference an “In Principle” condition.
- Appointment of Principal Representative an “In Principle” condition.
- CO/MLRO & Finance Officer appointments can *usually* be an “In Principle” condition.
- Self-certification of processes and procedures possible for many applicants.
- Simplified financial projections.

Further Process Improvements

- Application form changes now made. Work on “Online Functionality” has begun – initially for lower risk firms.
- For lower risk firms, the appointment of a specific (i.e. named) internal and external audit function holder to become an “In Principle” condition.
- The trend to approving applications within the Department continues.
- We are willing to consider branch applications from a growing number of jurisdictions, including the U.A.E. – on a case-by-case basis.

4. Current Authorisation Issues

- Representative Offices - FX & highly leveraged products (“Dear Stakeholder” letter April 2015).
- New and innovative areas of activity – e.g. in the recent past we have received enquiries from firms seeking to provide services in respect of Bitcoin and crowdfunding.
- Firm names – particularly the use of the word “bank”.

5. How You Can Help (1)

Please...

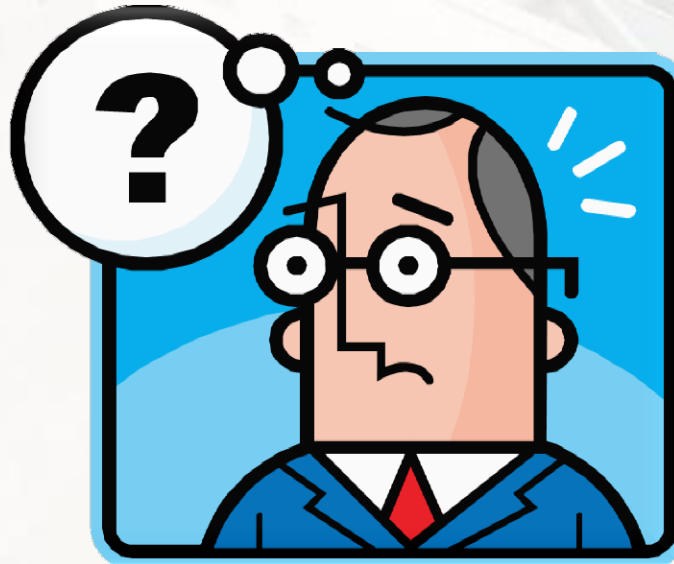
- continue to engage with the DFSA at the earliest opportunity with regard to applications.
- ensure that the Regulatory Business Plan is firm specific, clearly setting out the firm's business model. Please explain the financial services activities, the products that will be sold, and identify the firm's target customers.
- ensure that where a function is outsourced (e.g. Compliance Officer) that the individual proposed has capacity to undertake the role.

How You Can Help (2)

Please...

- ensure that all applications are submitted on the new forms (introduced in March 2015).
- ensure that applications contain original signatures.
- ensure that where a firm is eligible, and chooses, to self-certify in respect of its policies and procedures that it does not then include such procedures in its application.
- If you have a query on behalf of a client firm (applicant or authorised) please share their name with us so we have a reference point. To save time we suggest that you obtain their consent before approaching us.

6. QUESTIONS





Thank You