



QATAR FINANCIAL CENTRE

**REGULATORY
AUTHORITY**

General Rules 2005 (GENE)

Version No. 13

Effective: 1 January 2012 - 30 June 2013

**Includes amendments made by
Training, Competency and Miscellaneous Amendments Rules 2011
QFCRA Rules 2011-5**

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Chapter 1 General provisions

1.1.1 Name of rules

These rules are the *General Rules 2005* (or GENE).

1.1.3 Application of GENE

These rules apply to—

- (a) an *authorised firm* operating, or applying to operate, in or from the *QFC*; and
- (b) an individual approved, or applying for approval, to exercise a *controlled function*.

2 Fitness and Propriety

2.1 Application

2.1.1 This chapter applies to an *Applicant* and an *Authorised Firm*.

Guidance

1. Article 29 of the *Financial Services Regulations* provides the *Regulatory Authority* with the power to make *Rules* setting out the criteria which an *Applicant* must satisfy before *Authorisation* can be granted. The *FSR* states that such criteria shall include the *Fitness and Propriety*, legal form, resources, systems and controls and location of offices of an *Applicant*.
2. The purpose of *Fitness and Propriety* criteria is to set out the minimum criteria that a *Person* must meet for it to become and remain *Authorised*. It also enables the *Regulatory Authority* to ensure that its regulation of *Authorised Firms* is not impeded as a result of:
 - a. the *Authorised Firm's* group structure or internal administration;
 - b. any other laws, regulations or administrative provisions of another jurisdiction to which the *Authorised Firm* is subject; or
 - c. an inability or unwillingness to comply, on an ongoing basis with the requirements imposed by the *Regulatory System*.
3. The *Fitness and Propriety* criteria summarises some of the areas that the *Regulatory Authority* will consider during the assessment of an *Applicant* for *Authorisation*. Also, as part of its supervisory approach, the *Regulatory Authority* will monitor whether an *Authorised Firm* continues to meet the *Fitness and Propriety* requirements. Under Article 31, the *Regulatory Authority* may impose conditions or withdraw the *Authorised Firm's Authorisation* if it fails to satisfy the criteria in Article 29.

2.2 General Provisions

2.2.1 Pursuant to Article 29 of the *FSR*, in order to become and remain an *Authorised Firm*, a *Person* must be able to demonstrate to the *Regulatory Authority's* satisfaction both initially and on an ongoing basis that it satisfies the *Fitness and Propriety* criteria outlined in this chapter.

2.3 Fitness and Propriety

2.3.1 In considering the *Fitness and Propriety* of an *Applicant* or *Authorised Firm*, the *Regulatory Authority* will consider:

Controllers

- (A) the *Applicant's* or *Authorised Firm's* connection with its *Controllers* as outlined in the *FSR* and chapter 8;

Close Links and other Connections

- (B) the *Applicant's* or *Authorised Firm's Close Links* with another *Person* or connection with any other *Person* including any *Person* appearing to be, or likely to be in a contractual relationship with the *Applicant* or *Authorised Firm*;

Regulated Activities

- (C) the nature of the *Regulated Activities* concerned;

Prudence

- (D) whether the *Applicant's* or *Authorised Firm's* affairs will be or are conducted and managed in a sound and prudent manner;

The Location of Offices

- (E) the location and jurisdiction of the *Applicant* or *Authorised Firm's* head office and registered office and the location and jurisdiction of its *Parent Entity*;

Legal Form

- (F) the legal form that the *Applicant* intends to adopt in light of the location of its offices and of the *Regulated Activities* concerned; and

Other Matters contained in Appendix 1

- (G) any other relevant matters including those contained in Appendix 1.

2.4 Other Authorisation Requirements

2.4.1 If the application is in respect of any of the following *Regulated Activities*:

- (A) *Effecting Contracts of Insurance*;
- (B) *Carrying Out Contracts of Insurance*; or
- (C) *Deposit Taking*

the *Applicant* must be a *Body Corporate*.

2.4.2 Applicant for authorisation must be incorporated etc in QFC

An application for *authorisation* may be granted only if the applicant is—

- (a) a limited liability company incorporated under the *Companies Regulations 2005*; or
- (b) a limited liability partnership incorporated under the *Limited Liability Partnerships Regulations 2005*; or
- (c) a partnership formed (including a limited partnership incorporated) under the *Partnership Regulations 2007*; or
- (d) an *entity* registered as a branch under any *Regulations*.

3 General Provisions

3.1 Disclosure of Regulatory Status

3.1.1 An *Authorised Firm* must not misrepresent its regulatory status expressly or by implication.

3.1.2 (1) An *Authorised Firm* must take reasonable care to ensure that all business documents in connection with the carrying on of *Regulated Activities* in or from the *QFC* include one of the disclosures in (3).

(2) The expression “business documents”:

(A) includes, but is not limited to, letterheads, whether issued by post, fax or electronic means, terms of business, client agreements, written financial communications, business cards, prospectuses and websites; but

(B) does not include compliment slips, account statements or text messages.

(3) The disclosure required under this *Rule* is:

(A) ‘Authorised by the Qatar Financial Centre Regulatory Authority’; or

(B) ‘Authorised by the QFC Regulatory Authority’.

(4) The *Regulatory Authority* logo must only be reproduced with the express written permission of the *Regulatory Authority* and in accordance with any conditions for use issued from time to time.

3.3 Complaints against the Regulatory Authority

Guidance

1. *Article 25.1 of Schedule 1 of the FSR requires the Regulatory Authority to make arrangements for the prompt, efficient, impartial and independent investigation of complaints made against it arising out of the exercise, or failure to exercise, any of its functions (other than the formulation of regulatory policy, Rules and guidance and proposing Regulations as described in paragraph 1.3 of Schedule 1 of the FSR).*
2. *In accordance with Article 25.1, the Regulatory Authority is required to appoint an Independent Person to investigate and deal with any complaints made against the Regulatory Authority which are not promptly and satisfactorily dealt with by the Regulatory Authority.*

3.4 Registers of Public Information

Guidance

General

1. Article 18 of the *FSR* requires the *Regulatory Authority* to make public certain registers and other information.

Registers

2. The *Regulatory Authority* makes public its register of *Authorised Firms*, which is a database of all firms *Authorised* to conduct *Regulated Activities*. It details the name of the *Authorised Firm*, the *Regulated Activities* it is authorised to conduct, any conditions or restrictions applying to the *Authorised Firm* and a breakdown of the *Specified Products* in respect of which it may conduct *Regulated Activities*.
3. The *Regulatory Authority* makes public its register of *Approved Individuals*, which details all individuals approved by the *Regulatory Authority* to undertake a *Controlled Function* at an *Authorised Firm*. The register details which *Controlled Functions* an individual is permitted to conduct in relation to each *Authorised Firm*.
4. The *Regulatory Authority* registers will be maintained in electronic form in English and made available through the *Regulatory Authority* website at www.qfcra.com.
5. Separate to the *Regulatory Authority* registers, the *QFC Authority* maintains a register of all *QFC Licensed Firms*, listing details of all entities *Licensed* in the *QFC* and the scope of *Licensing*. The *CRO* maintains a register of all such entities incorporated and registered under the *Companies Regulations 2005* and the *Limited Liability Partnership Regulations 2005*.
6. Extracts of the registers will also be made available at the premises of the *Regulatory Authority* during normal business hours, upon application and payment of the prescribed fee.

Publication of Other material

7. The *Regulatory Authority's* website will contain other published material including consultation papers, policy statements, codes, guides, notices, press releases and other statements which the *Regulatory Authority* wishes to bring to public attention.

3.5 Provision of Information

- 3.5.1** An extract of information from the registers maintained by the *Regulatory Authority*, in relation to any particular *Authorised Firm* or *Approved Individual*, provided in accordance with Article 18 of the *FSR* by the *Regulatory Authority*, upon application and payment of the prescribed fee, is prima facie evidence of the matters stated in it.

4 Notice of certain events required

4.1.1 Notice of changes in certain core details

- (1) An *authorised firm* must give the *Regulatory Authority* reasonable notice of at least 10 *business days* before any proposed change in relation to a matter to which this rule applies.
- (2) If the *authorised firm* cannot give advance notice of a change in relation to a matter to which this rule applies in accordance with subrule (1), the firm must tell the *Regulatory Authority* about the change immediately after it becomes aware that the change is to happen or has happened, but by no later than the second *business day* after the day it becomes aware of the change.
- (3) This rule applies to the following matters:
 - (a) the *authorised firm's* name;
 - (b) any business or trading name under which the firm conducts a *regulated activity* in or from the *QFC*;
 - (c) the address of the firm's principal place of business in the *QFC*;
 - (d) if the firm is a *branch*—its registered office or head office address;
 - (e) the firm's legal structure;
 - (f) the name of an *approved individual* for the firm or any material matter relating to the *approved individual's* suitability and competence to *exercise a controlled function* for which the individual is approved.

4.1.2 Notice of establishing or closing of branch office by local firm

A *local firm* must not establish or close a branch office anywhere in the world from which it proposes to conduct, or conducts, financial services unless it gave notice to the *Regulatory Authority* of its intention to do so at least 10 *business days* before the day it establishes or closes the branch office.

4.1.3 Notice of certain significant events

- (1) If an *authorised firm* becomes aware, or has reasonable grounds to believe, that a matter to which this rule applies has or may have happened, or may be about to happen, the firm must tell the *Regulatory Authority* about the matter immediately, but within 1 *business day*.

Examples – meaning of ‘within 1 business day’

- 1 If, on a *business day*, the *authorised firm* becomes aware that a matter to which this rule applies has or may have happened, the firm must tell the authority about it immediately, but on that day.
- 2 If, on a day that is not a *business day*, the *authorised firm* has reasonable grounds to believe that a matter to which this rule applies may be about to happen, the firm must tell the authority about it immediately, but by no later than the next *business day*.

(2) This rule applies to the following matters:

- (a) the *authorised firm’s* failure to satisfy *fitness and propriety*; and
- (B) any matter which could have a significant adverse effect on the *Authorised Firm’s* reputation;
- (C) any matter in relation to the *Authorised Firm* which could result in serious adverse financial consequences to the financial system or to other firms;
- (D) a significant breach of a *Rule* by the *Authorised Firm* or any of its *Employees*;
- (E) a significant breach of any requirement imposed by any applicable regulation or other law by the *Authorised Firm* or any of its *Employees*;
- (F) any proposed restructuring, merger, acquisition, reorganisation or business expansion which could have a significant impact on the *Authorised Firm’s* risk profile or resources;

Example

material changes in the firm’s *controllers*

- (G) any significant failure in the *Authorised Firm’s* systems or controls, including a failure reported to the *Authorised Firm* by the firm’s auditor;
- (H) any action that would result in a material change in the capital adequacy or solvency of the *Authorised Firm*;
- (i) a *contravention* of any *Rules* by the firm because of an emergency outside the firm’s control;
- (j) the implementation or planned implementation of major new or revised information technology systems or new technology affecting the firm’s business, risk profile or resources.

4.1.4 Notice of events relating to fraud etc

- (1) If an event to which this rule applies happens in relation to the activities of an *authorised firm* that are conducted in or from the *QFC*, the firm must tell the *Regulatory Authority* about the event immediately, but within 1 *business day* after the day the event happens.

Examples

See examples to rule 4.1.3 (1) on the meaning of ‘within 1 *business day*’.

- (2) This rule applies to the following events:
- (A) it becomes aware that an *Employee* may have committed a fraud against one of its customers;
 - (B) a serious fraud has been committed against it;
 - (C) it has reason to believe that a *Person* is acting with intent to commit a serious fraud against it;
 - (D) it identifies significant irregularities in its accounting or other records, whether or not there is evidence of fraud;
 - (E) it suspects that one of its *Employees* who is connected with the *Authorised Firm's Regulated Activities* may be guilty of serious misconduct concerning his honesty or integrity.

4.1.5 Notice of certain events involving other regulators

- (1) If an *authorised firm* becomes aware of an event to which this rule applies, the firm must tell the *Regulatory Authority* about the event immediately, but within 1 *business day*.

Examples

See examples to rule 4.1.3 (1) on the meaning of 'within 1 *business day*'.

- (2) This rule applies to the following events:
- (a) an application by the *authorised firm* for, or for revocation of, an authorisation (however described) to conduct financial services in any *jurisdiction* outside the *QFC* is granted, refused or withdrawn (however described);
 - (b) an application by the firm for, or for revocation of, membership of any exchange or clearing house is granted, refused or withdrawn (however described);
 - (c) an *overseas regulator* starts an investigation (however described) into any of the firm's affairs;
 - (d) an *overseas regulator* appoints investigators (however described) to investigate any of the firm's affairs;
 - (e) disciplinary measures or sanctions (however described) are imposed on the firm by an *overseas regulator*, or any exchange or clearing house, in relation to its conduct of financial services.

4.1.6 Notice of certain action against authorised firm

- (1) If an *authorised firm* becomes aware of an event to which this rule applies, the firm must tell the *Regulatory Authority* about the event immediately, but within 1 *business day*.

Examples

See examples to rule 4.1.3 (1) on the meaning of 'within 1 *business day*'.

- (2) This rule applies to the following events:
- (a) a civil proceeding is brought against the *authorised firm* and the amount involved is significant in relation to its financial resources or reputation;
 - (b) the firm is prosecuted for, or found guilty of, any offence involving fraud or dishonesty;
 - (c) a penalty is imposed on the firm for tax evasion.

4.1.7 Notice of certain insolvency-related events

- (1) If an *authorised firm* becomes aware of an event to which this rule applies, the firm must tell the *Regulatory Authority* about the event immediately, but within 1 *business day*.

Examples

See examples to rule 4.1.3 (1) on the meaning of 'within 1 *business day*'.

- (2) This rule applies to the following events:
- (A) the calling of a meeting to consider a resolution for winding up the *Authorised Firm*;
 - (B) an application to dissolve the *Authorised Firm* or to strike it from the register, maintained by the *CRO*, or a comparable register in another jurisdiction;
 - (C) the presentation of a petition for the winding up of the *Authorised Firm*;
 - (D) the making of, or any proposals for the making of, a composition or arrangement with creditors of the *Authorised Firm*;
 - (E) the application of any person for the commencement of any insolvency proceedings, appointment of any receiver, administrator or provisional liquidator under the law of any country.

5 Communications to Regulatory Authority

5.1 Communications to Regulatory Authority—general provisions

5.1.1 Communications to Regulatory Authority must generally be in writing

- (1) This rule applies if a *person* is required or permitted under any *Law, Regulations* or *Rules* to give any information (however described), or make another communication, to the *Regulatory Authority*.

Examples of application of rule

- 1 a *person* is permitted under any *Rules* to make any application or request, or to give any election, to the authority
 - 2 a *person* is required under any *Regulations* to give the authority any certificate, declaration, notice, return or statement of opinion or belief
 - 3 a *person* is required under any *Rules* to notify or tell the authority about something
- (2) The *person* must give the information, or make the other communication, to the *Regulatory Authority* in *writing* unless—
- (a) the information or communication is required or permitted under any *Law, Regulations* or *Rules* to be given or made to it in another way; or
 - (b) the authority, whether under this subrule or otherwise, requires or permits the *person* to give the information, or make the communication, to it in another way.

Note See esp r 5.1.3 (Giving documents to Regulatory Authority—general requirements) and r 5.4.1 (Electronic submission system).

- (3) A requirement or permission under subrule (2) (b) may be imposed or given either—
- (a) generally or otherwise by *written* notice published on an *approved website*; or
 - (b) by notice given to the *person* in relation to the giving of particular information, or the making of a particular communication, to the *Regulatory Authority* by the *person*.
- (4) A permission under subrule (2) (b) may be given subject to conditions.
- (5) If the *person* gives the information, or makes the other communication, to the *Regulatory Authority* in *contravention* of—
- (a) this rule; or
 - (b) a requirement made under this rule; or
 - (c) a condition of a permission given under this rule;

then, for the purpose of satisfying any requirement to give the information or make the other communication to the authority, the *person* is taken not to have given the information or made the other communication to the authority.

- (6) Without limiting subrule (5) and any other remedies available to the *Regulatory Authority* in relation to that *contravention*, the authority may require the *person* to give the information or make the communication to it in accordance with this rule (including any requirement or condition under this rule) within a stated time.
- (7) The *person* must comply with a requirement under subrule (6).

5.1.2 Communications to Regulatory Authority must generally be in English

- (1) This rule applies if a *person* is required or permitted under any *Law, Regulations* or *Rules* to give any information (however described), or make another communication, to the *Regulatory Authority*.

Examples of application of rule

See examples of application of rule 5.1.1.

- (2) The *person* must give the information, or make the other communication, to the *Regulatory Authority* in English unless—
- the information or communication is required or permitted under any *Law, Regulations* or *Rules* to be given or made to it in another language; or
 - the authority, whether under this subrule or otherwise, requires or permits the *person* to give the information, or make the communication, to it in another language.

Note See esp r 5.1.3 (Giving documents to Regulatory Authority—general requirements) and r 5.4.1 (Electronic submission system).

- (3) A requirement or permission under subrule (2) (b) may be imposed or given either—
- generally or otherwise by *written* notice published on a *approved website*; or
 - by notice given to a *person* in relation to the giving of particular information, or the making of a particular communication, to the *Regulatory Authority* by the *person*.
- (4) A permission under subrule (2) (b) may be given subject to conditions.
- (5) If a *person* gives the information, or makes the other communication to the *Regulatory Authority*, in *contravention* of—
- this rule; or
 - a requirement made under this rule; or
 - a condition of a permission given under this rule;
- then, for the purpose of satisfying any requirement to give the information or make the other communication to the authority, the *person* is taken not to have given the information or made the other communication to the authority.
- (6) Without limiting subrule (5) and any other remedies available to the *Regulatory Authority* in relation to that *contravention*, the authority may require the *person* to give the information or make the communication to it in accordance with this rule (including any requirement or condition under this rule) within a stated time.
- (7) The *person* must comply with the requirement under subrule (6).

5.1.3 Giving documents to Regulatory Authority—general requirements

- (1) This rule applies if a *person* is required or permitted under any *Law, Regulations* or *Rules* to give a *document* (however described) to the *Regulatory Authority*, whether the word ‘give’, ‘lodge’, ‘serve’, ‘tell’ or some other word is used.

Note A ‘document’ includes anything in writing (see *INAP*, glossary, def *document*).

- (2) To remove any doubt, this rule applies in relation to a *document* (including a *document* in electronic form) if it includes or contains information (however described), or another communication, that a *person* is required or permitted under any *Law, Regulations* or *Rules* to give or make to the authority.

Example

See examples of application of rule 5.1.1.

- (3) The Regulatory Authority may, by written notice published on an approved website—
- (a) prescribe requirements (including requirements mentioned in subrule (4)) that must be complied with in relation to the giving of a *document* to the authority (the *lodgement requirements*); and
 - (b) provide that stated requirements applying to the *document* under any *Rules* are taken to be satisfied if the lodgement requirements are satisfied in relation to the *document*.
- Examples of requirements for par (b)**
- 1 a requirement that information be given to the authority in *writing*
 - 2 a requirement that a *document* be signed by a particular *person* or in a particular way
 - 3 a requirement that a *document* or information in a *document* be verified in a particular way
- (4) Without limiting subrule (3) (a), a notice under that provision may—
- (a) require a *document* to be given to the *Regulatory Authority* in a stated way or form; or
 - (b) require a stated *person* or *persons* to sign the *document*; or
 - (c) require a *person* who is required or permitted to sign a *document* to sign and keep the signed *document* and to give a copy of the signed *document* in any form (including electronic form) to the *Regulatory Authority*; or
 - (d) require a *person* who is required or permitted to sign a *document*, to give a declaration or certificate (however described) in or with a *document*, or to verify (however described) a *document* or any information in or with a *document*, to take stated steps—
 - (i) to confirm his or her identity; or
 - (ii) to indicate the *person's* agreement to, and acceptance of responsibility for the accuracy and completeness (however described) of, the *document*, information in the *document*, or any other *document* (or information in any other *document*); or
 - (e) prescribe consequential or ancillary requirements in relation to the *document* or the giving of the *document* to the authority.
- (5) The *Regulatory Authority* may permit a *person* to give a *document* to the authority even though a lodgement requirement has not (or may not have) been complied with in relation to the *document*.
- (6) A permission under subrule (5) may be given subject to conditions.
- (7) If a person gives a document to the Regulatory Authority in contravention of—
- (a) a lodgement requirement (and without a permission under subrule (5)); or
 - (b) a condition of a permission given under that subrule;
- then, for the purpose of satisfying any requirement to give the *document* to the authority, the *person* is taken not to have given the *document* to the authority.
- (8) Without limiting subrule (7) and any other remedies available to the *Regulatory Authority* in relation to that *contravention*, the authority may require the *person* to give

the *document* to the authority in accordance with any requirement or condition under this rule within a stated time.

- (9) The *person* must comply with the requirement under subrule (8).

5.1.4 Time documents are taken to have been given to Regulatory Authority

- (1) If a *document* (however described) is given to the *Regulatory Authority* on a working day before the start of or during ordinary business hours on that day, the *document* is taken, for any *Rules*, to have been given to the authority on that day.
- (2) If a *document* (however described) is given to the *Regulatory Authority* on a day that is not a working day or on a working day after ordinary business hours on that day, the *document* is taken, for any *Rules*, to have been given to the authority on the next working day.
- (3) For this chapter, the *Regulatory Authority* may, by *written* notice published on an *approved website*, declare—
 - (a) that a stated day is or is not a working day; or
 - (b) that stated times on a day are ordinary business hours on that day.
- (4) Subject to any notice made under subrule (3), in this rule:
ordinary business hours, on a day, means between 8 am and 5 pm on that day.
working day means a *business day*.

5.1.5 Due date for periodic reports, returns and other documents

- (1) If—
 - (a) an *authorised firm* is required under any *Rules* to give a report, return or other *document* (however described) to the *Regulatory Authority* periodically; and
 - (b) the firm would, apart from this rule, be required to give a particular report, return or other *document* of that kind to the authority on a day that is not a working day;the firm may give the report, return or other *document* to the authority on the next working day.
Note Schedule 2 provides an overview of the provisions of *Rules* under which there are periodic reporting requirements.
- (2) The *Regulatory Authority* may, by *written* notice published on an *approved website*, declare that a report, return or other *document* (however described) is a report, return or other *document* to which this rule applies.
- (3) Subject to any notice made under rule 5.1.4 (3) (a) (Time documents are taken to have been given to Regulatory Authority), in this rule:
working day means a *business day*.

5.2 Communications to Regulatory Authority— accuracy and completeness of information

5.2.1 Authorised firms must ensure accuracy and completeness of information given to Regulatory Authority etc

- (1) An *authorised firm* or other *person* must take all reasonable steps to ensure that all information that the *person* gives to the *Regulatory Authority* under any *Law, Regulations* or *Rules* is—
 - (a) factually accurate or, for an estimate or judgment, fairly and properly based after appropriate inquiries have been made; and
 - (b) complete, in that it includes everything that the authority would reasonably expect to be told about.
- (2) Without limiting subrule (1), the *authorised firm* or other *person* must take particular care to ensure that information that the *person* gives to the *Regulatory Authority*—
 - (a) is not false or misleading; and
 - (b) does not omit anything without which the information is false or misleading.
- (3) If the *authorised firm* or other *person* becomes aware that, or becomes aware of information that suggests (or may reasonably suggest) that, information given (or that may have been given) by it to the *Regulatory Authority*—
 - (a) was (or may have been) factually inaccurate or, for an estimate or judgment, not fairly or properly based after appropriate inquiries had been made; or
 - (b) was (or may have been) incomplete, in that it did not (or may not) include something that the authority would reasonably expect to be told about; or
 - (c) was (or may have been) false or misleading; or
 - (d) omitted (or may have omitted) something without which the information was (or may have been) false or misleading; or
 - (e) was (or may have been) otherwise inaccurate or incomplete; or
 - (f) is no longer (or may no longer be) accurate and complete for any reason;
 the *person* must tell the authority about the matter immediately, but within 1 *business day*.

Examples

See examples to rule 4.1.3 (1) on the meaning of ‘within 1 *business day*’.

- (4) Without limiting subrule (3), the notification under that subrule must—
 - (a) identify—
 - (i) the information given (or that may have been given) by the *authorised firm* or other *person* to the *Regulatory Authority*; and
 - (ii) the particulars in which—
 - (A) it was (or may have been) inaccurate or incomplete; or
 - (B) it is (or may) now be inaccurate or incomplete; and

- (b) explain why those particulars of the information were (or may have been) given to the authority; and
 - (c) provide the correct and complete, or correct and complete up-to-date, information.
- (5) An *authorised firm* must—
- (a) have adequate and appropriate policies, procedures, systems and controls to ensure that it can comply, and does comply, with this rule; and
 - (b) make and keep the records necessary to show how it complied with this rule in relation to all information (however described) given by it to the *Regulatory Authority*.
- (6) A *person* (other than an *authorised firm*, but including a *person* acting on behalf of an *authorised firm*) who gives information (however described) to the *Regulatory Authority* under any *Law, Regulations* or *Rules* must make and keep the records necessary to show how the *person* complied with this rule in relation to the information.
- (7) For this rule and without limiting the *persons* who may give information to the *Regulatory Authority* on behalf of an *authorised firm*, any information given to the authority by an *approved individual* or *director* of the firm is taken to have been given to the authority by the firm.
- (8) This rule is additional to, and does not limit, any other *provision* of these rules or any other *Rules* (including *CTRL*).

5.2.2 Powers of Regulatory Authority in relation to inaccurate or incomplete information

- (1) This rule applies if the *Regulatory Authority* considers that information (however described) given to it by an *authorised firm* or another *person* under any *Law, Regulations* or *Rules*—
- (a) is (or may be) factually inaccurate or, for an estimate or judgment, not fairly or properly based after appropriate inquiries had been made; or
 - (b) is (or may be) incomplete, in that it does not (or may not) include something that the authority would reasonably expect to be told about; or
 - (c) is (or may be) false or misleading; or
 - (d) omitted (or may have omitted) something without which the information is (or may be) false or misleading; or
 - (e) is otherwise (or may otherwise be) inaccurate or incomplete; or
 - (f) is no longer (or may no longer be) accurate and complete for any reason.
- (2) The *Regulatory Authority* may, by *written* notice given to the *authorised firm* or other *person*, require the *person* to do all or any of the following within the period stated in the notice:
- (a) give the authority an explanation or further information;
 - (b) provide the correct and complete, or correct and complete up-to-date, information;
 - (c) if the information is included in an application, report, return or other *document* (however described) all or any of the following:
 - (i) amend the *document*;
 - (ii) withdraw the *document*;
 - (iii) give the authority a replacement *document*;

- (d) do anything else in relation to the information, or a *document* that includes the information, that the authority considers necessary or desirable for the *exercise* of its *functions*;
 - (e) comply with the authority's directions in doing anything mentioned in paragraphs (a) to (d).
- (3) The *authorised firm* or other *person* must comply with a requirement under subrule (2).
 - (4) To remove any doubt, the *Regulatory Authority* may give the *authorised firm* or other *person* 2 or more notices under subrule (2).
 - (5) The power given by this rule is additional to the *Regulatory Authority's* other powers.
- Note* See eg *Financial Services Regulations*, art 48 (Power to obtain documents and information).
- (6) This rule does not limit any other action that the *Regulatory Authority* may take against the *authorised firm* or other *person* (or anyone else) in relation to the giving of the information to the authority.

Note See eg *Financial Services Regulations*, pt 9 (Disciplinary and enforcement powers).

5.3 Approved forms

5.3.1 Approval of forms etc

- (1) The *Regulatory Authority* may—
 - (a) approve forms for any purpose under or related to any *Law, Regulations* or *Rules*; and
 - (b) give instructions for the completion of approved forms.
- (2) To remove any doubt, instructions for the completion of an approved form may be given under subrule (1) (b) in the form itself or in a separate *document*.
- (3) Forms approved, and instructions given, under subrule (1) must be published on an *approved website*.

5.3.2 Approved forms to be used and properly completed

- (1) If a form is approved under rule 5.3.1 for a particular purpose, a *person* must—
 - (a) use the form for that purpose unless the *Regulatory Authority* permits the *person* not to use the form for the purpose; and
 - (b) properly complete the form in accordance with rule 5.3.3.
- (2) If the *person* does not use the form for that purpose or does not properly complete the form in accordance with rule 5.3.3, the purpose is taken not to be satisfied.

Example

If a *person* makes an application to the *Regulatory Authority* but does not use the form approved under rule 5.3.1 for the application, or uses the form but does not properly complete it in accordance with rule 5.3.3, the authority may treat the application as having not been made to it and accordingly refuse to consider it.

- (3) A permission under subrule (1) (a) may be given subject to conditions.
- (4) Without limiting subrule (2), if—
 - (a) a *person* is required or permitted under any *Law, Regulations* or *Rules* to give an application, report, return or other *document* (however described) to the *Regulatory Authority*; and
 - (b) a form is approved under rule 5.3.1 for the *document*; and
 - (c) the *person* gives the *document* to the authority; but
 - (d) any of the following applies:
 - (i) the *person* does not use the approved form (and does not have a permission under subrule (1) (a)); or
 - (ii) the *person* does not properly complete the form in accordance rule 5.3.3; or
 - (iii) a permission under subrule (1) (a) applies, but the *person* *contravenes* a condition of the permission;

then, for the purpose of satisfying any requirement to give the *document* to the authority, the *person* is taken not to have given the *document* to the authority unless the authority waives the requirement.

- (5) Without limiting subrule (4) and any other remedies available to the *Regulatory Authority* in relation to the *contravention* of subrule (1), the authority may require the *person* to give the *document* to the authority within a stated time using, and properly completing, the approved form.

- (6) The *person* must comply with the requirement under subrule (5).

5.3.3 Proper completion of approved forms

- (1) This rule applies if a form approved by the *Regulatory Authority* under rule 5.3.1, or instructions given by the *Regulatory Authority* under that rule in relation to a form approved by the authority, require—
- (a) the form to be signed, signed in a stated way or signed by a stated *person* or *persons*; or
 - (b) the form to be prepared in a stated way (for example, on paper of a stated size or quality or in a stated electronic form); or
 - (c) the form to be completed in a stated way; or
 - (d) stated information to be included in the form, or in a stated *document* to be attached to or given with the form; or
 - (e) a stated *document* to be attached to or given with the form; or
 - (f) the form, information or a *document* to be verified in a stated way (for example, by a declaration or certificate); or
 - (g) another requirement to be satisfied.
- (2) The form is properly completed only if the requirement is complied with unless the *Regulatory Authority* waives the non-compliance.
- (3) Without limiting subrule (2), if the form is required to be signed by 2 or more *persons*, the requirement is not complied with (and the form is not properly completed) if the form is not signed by each of those *persons*.
- (4) Without limiting subrule (2), if stated information is required to be included in the form, or in a stated *document* to be attached to or given with the form, the requirement is not complied with (and the form is not properly completed) if —
- (a) the information is not included in the form or *document* at all; or
 - (b) the information that is included—
 - (i) is factually inaccurate in a material particular or, for an estimate or judgment, not fairly or properly based after appropriate inquiries have been made; or
 - (ii) is incomplete in a material particular; or
 - (iii) is false or misleading in a material particular; or
 - (iv) omits something without which the information is false or misleading in a material particular; or
 - (v) otherwise inaccurate or incomplete in a material particular.
- (5) Without limiting subrule (2), if a stated *document* is required to be attached to or given with the form, the requirement is not complied with (and the form is not properly completed) if—
- (a) the *document* is not attached to or given with the form at all; or
 - (b) the *document* is attached to or given with the form but—
 - (i) the *document* itself is false or misleading in a material particular; or
 - (ii) the *document* includes information of a kind mentioned in subrule (4) (b) (i) to (v).

- (6) A decision by the *Regulatory Authority* under subrule (2) to waive non-compliance with a requirement may be made subject to conditions.
- (7) If a condition is contravened, the requirement is not complied with (and the form is not properly completed).

5.3.4 Transitional provisions—approved forms and instructions

- (1) If—
 - (a) a form was, before the commencement of this rule, approved (however described) by the *Regulatory Authority* for any purpose under or related to any *Law, Regulations or Rules*; and
 - (b) the approval was in force immediately before that commencement;then, on that commencement, the form is taken to have been approved by the authority under rule 5.3.1 (1) for that purpose.
- (2) If—
 - (a) instructions (however described) for the completion of a form mentioned in subrule (1) were, before the commencement of this rule, given (however described) by the *Regulatory Authority*; and
 - (b) the instructions were in force immediately before that commencement;then, on that commencement, the instructions are taken to have been given by the authority under rule 5.3.1 (1).
- (3) If, before the commencement of this rule, the form or instructions had been published in any way by the *Regulatory Authority*, then, despite rule 5.3.1 (3), the form or instructions need not be published after the commencement of this rule on an *approved website*.
- (4) If this rule is in force immediately before 1 July 2011, then, on that date—
 - (a) this rule is taken to have been omitted; and
 - (b) any form or instructions to which it applied that are still in force are taken to have been revoked.

5.4 Electronic submission system

5.4.1 Electronic submission system

- (1) The *Regulatory Authority* may establish a system (the ***electronic submission system***) to enable *authorised firms* and other *persons* to communicate to it electronically and, in particular, to give it *documents* and information in electronic form that can be reproduced by it in legible form.
- (2) The *Regulatory Authority* may, by *written* notice published on an *approved website*—
 - (a) require or permit *authorised firms* and other *persons* (each of which is a ***permitted user***) to make stated communications to it using the electronic submission system; and
 - (b) require stated communications to the authority on behalf of a permitted user to be submitted by a stated *person* or *persons*; and

Example of requirement

If the permitted user is an *authorised firm*, particular communications to the authority may be required to be submitted by an *approved individual* for, or *director* of, the firm.

 - (c) issue instructions (***access instructions***) in relation to the provision of access to the system for individuals who are to use the system on behalf of permitted users, including, for example, instructions in relation to—
 - (i) the nomination of individuals to the *Regulatory Authority* by permitted users; and
 - (ii) the acceptance of nominated individuals by the authority; and
 - (iii) the withdrawal of nominations by permitted users; and
 - (d) issue instructions (***usage instructions***) about access to and use of the system, including, for example, instructions that the authority considers necessary or desirable to maintain the integrity and security of the system or confidence in its integrity and security.
- (3) An individual using the electronic submission system must not *contravene* any of the usage instructions.
- (4) A permitted user of the electronic submission system must take all reasonable steps to ensure—
 - (a) that it nominates only suitable individuals to the *Regulatory Authority* to have access to the system; and
 - (b) that only individuals who are nominated by it, and accepted by the authority as users, have access to the system on its behalf; and
 - (c) that individuals who have access to the system on its behalf do not *contravene* the usage instructions or otherwise use the system improperly; and
 - (d) that it and its *directors*, officers, *employees*, agents and contractors do not do, or fail to do, anything that compromises, or could reasonably compromise, the integrity or security of the system or confidence in its integrity or security.
- (5) An *authorised firm* that is a permitted user of the electronic submission system must—
 - (a) have adequate and appropriate policies, procedures, systems and controls to ensure that it can comply, and does comply, with subrule (4); and

- (b) make and keep the records necessary to show how it complied with that subrule.
- (6) A *person* (other than an *authorised firm*) who is a permitted user of the electronic submission system must make and keep the records necessary to show how it complied with subrule (4).
- (7) If a communication is made to the *Regulatory Authority* using access to the electronic submission system provided to a permitted user (including to any individual nominated by the permitted user and accepted by the authority as a user), then, whether or not the communication was made by or on behalf of the permitted user—
 - (a) the permitted user is taken to have made the communication to the authority; and
 - (b) for the purposes of the *Financial Services Regulations* and any *Rules*—is taken to have made the communication to the authority in *writing* and to have signed (and, if necessary, sealed, stamped or otherwise executed) the communication.

Note See *Financial Services Regulations*, art 108 (1) (D) and art 109 (1) (F).

- (8) However, subrule (7) does not apply to the communication if the permitted user satisfies the *Regulatory Authority* that—
 - (a) the communication was not made by it (or by any *person* on its behalf or with its approval or permission); and
 - (b) it complied fully with subrules (4) and (5); and
 - (c) the making of the communication was not caused or contributed to by a *contravention* of any of the usage instructions by an individual nominated by it for this rule (other than an individual whose nomination had been withdrawn in accordance with the access instructions); and
 - (d) it informed the authority that it had not made the communication immediately after becoming aware of it, but within 1 *business day*.

Examples for r (8) (d) and r (10) (c)

See examples to rule 4.1.3 (1) on meaning of ‘within 1 *business day*’.

- (9) If a communication is made to the *Regulatory Authority* using access to the electronic submission system provided to an individual nominated by a permitted user for this rule, then, whether or not the communication was made by or on behalf of the individual—
 - (a) the individual is taken to have made the communication to the authority; and
 - (b) for the purposes of the *Financial Services Regulations* and any *Rules*—is taken to have made the communication to the authority in *writing* and to have signed (and, if necessary, otherwise executed) the communication.
- (10) However, subrule (9) does not apply to the communication if the individual satisfies the *Regulatory Authority* that—
 - (a) the communication was not made by the individual (or by any *person* on the individual’s behalf or with the individual’s approval or permission); and
 - (b) the making of the communication was not caused or contributed to by a *contravention* by the individual of any of the usage instructions; and
 - (c) the individual informed the permitted user and the authority that the individual had not made the communication immediately after becoming aware of it, but within 1 *business day*.
- (11) A communication made to the *Regulatory Authority* using the electronic submission system is taken to have been made to the authority at the time it is received by the

authority, but subject to rule 5.1.4 (Time documents are taken to have been given to Regulatory Authority).

- (12) This rule is additional to, and does not limit, rule 5.1.3 (Giving documents to Regulatory Authority—general requirements), any other provision of these rules or any other *Rules* (including *CTRL*).

Chapter 5A Giving of written notices by Regulatory Authority

Part 5A.1 Application

5A.1.1 Application of ch 5A

- (1) This chapter sets out how the *Regulatory Authority* may give a person any written notice that the *FSR* require the authority to give the person.

Note In the *FSR*, “writing” includes any form of representing or producing words in legible form—see *FSR*, article 109 (1) (F).

- (2) Nothing in this chapter applies in relation to the publication of a statement required or permitted by the *FSR*.

Note The *Regulatory Authority* is required or permitted to publish statements by *FSR*, articles 15, 16, 17, 18, 58, 59 and 79.

Part 5A.2 Rules about giving written notices

5A.2.1 How written notices may be given

- (1) Where the *Regulatory Authority* is required to give a person a written notice, the authority may do so by any means that the authority reasonably believes will bring the notice to the person’s attention.
- (2) In particular, and without limiting subrule (1), the authority may give a person a written notice—
 - (a) personally; or
 - (b) electronically; or
 - (c) by post.

5A.2.2 Giving written notices personally

- (1) A written notice is given to a person (the *intended recipient*) personally if—
 - (a) where the intended recipient is an individual—it is given to him or her directly; or
 - (b) where the intended recipient is not an individual—it is given to an individual who is a member, or an employee or representative, of the intended recipient; or
 - (c) it is given to another person (for example, a solicitor) who the intended recipient has nominated to receive the notice; or
 - (d) it is left at the intended recipient’s principal place of business or place of residence last notified to the authority.
- (2) If a written notice is left at the intended recipient’s principal place of business or place of residence, it is given to the intended recipient personally for this rule if—
 - (a) it is given to a person at the place who is—
 - (i) apparently 16 years old or older; and
 - (ii) apparently employed at the place or resident at the place, as the case requires; and
 - (iii) apparently capable of ensuring that the intended recipient receives it; or

- (b) it is otherwise left at the place in such a way that it can reasonably be expected to come to the intended recipient's attention.

5A.2.3 Giving written notices electronically

- (1) A written notice is given to a person (the *intended recipient*) *electronically* if the notice is sent electronically to—
 - (a) the intended recipient's fax number or email address notified to the *Regulatory Authority*; or
 - (b) if there is no such fax number or email address—any other electronic address at which the authority reasonably believes that the notice will come to the intended recipient's attention.
- (2) For subrule (1), a written notice is *sent electronically* if the notice—
 - (a) is incorporated in or attached to an email message; or
 - (b) is sent by fax; or
 - (c) is placed on a website where the intended recipient—
 - (i) is able to have access to it; and
 - (ii) is likely to become aware of it.
- (3) In this rule—
electronic address means—
 - (a) a fax number; or
 - (b) an email address; or
 - (c) a person's user identity on an electronic communication facility (for example, a social networking website).

5A.2.4 Giving written notices by post

- (1) A written notice is given to a person *by post* if the notice is properly pre-paid, posted and addressed to:
 - (a) the person's post office box notified to the *Regulatory Authority*; or
 - (b) if there is no such post office box—to any other post office box, or any other address, at which the authority reasonably believes that the notice will reach the person.

5A.2.5 When written notice is taken to have been given

- (1) If a written notice is given to a person electronically during working hours, the person is taken to have been given the notice on the day on which the notice was sent.
- (2) If a written notice is given to a person electronically outside working hours, the person is taken to have been given the notice at 8 am on the next business day after it was sent.
- (3) If a written notice is given by post to a person who is normally resident in the State, the person is taken to have been given the notice on the 3rd working day after the notice is posted.
- (4) If a written notice is given by post to a person who is not normally resident in the State, the person is taken to have been given the notice on the 5th business day after the notice is posted.

(5) In this rule:

business day—

- (a) in a place that is in the State, has the meaning given by INAP; and
- (b) in a place that is not in the State, means a day on which banks are open for business.

6 Record Keeping

6.1 General recordkeeping requirement

6.1.1 Records that must be kept—general requirement

An *authorised firm* must maintain appropriate records of:

- (A) matters and dealings, including accounting records;
- (B) policies and procedures; and
- (C) other documentation

which are required under *Regulations* or *Rules* applicable in the QFC.

Note 1 Schedule 3 provides an overview of recordkeeping requirements.

Note 2 The *Financial Services Regulations*, art 107 (2) provides that all internal procedures, records or other documentation created or maintained by Authorised Firms or Approved Individuals as the Regulatory Authority shall determine shall be in English.

6.2 Maintenance of Records

6.2.1A Application of s 6.2

To remove any doubt, this section applies to records that an *authorised firm* is required to keep (however described) under any *Regulations* or *Rules*.

6.2.1 Reproduction of records on paper

An *authorised firm* must ensure records, however stored, are capable of reproduction on paper within a reasonable period not exceeding three days.

6.2.2 How records must be kept

In keeping records, an *authorised firm* must have regard to any requirements for preservation, confidentiality, security and the frequency and ease of access required to records.

6.2.3 General requirement for records to be kept in English

Subject to Rule 6.2.4, an *Authorised Firm* must ensure records are maintained in the English language.

6.2.4 Keeping records in other languages

Where records relate to an *Authorised Firm's* activities not related to *Regulated Activities* in or from the *QFC*, the *Authorised Firm* may maintain those records in another language. If those records are requested by the *Regulatory Authority* they must be reproduced in English within a reasonable period not exceeding seven days.

6.2.5 Certified copies for original records

- (1) If original documents cannot be maintained, copies may be kept, provided they are duly certified copies of the original documents.
- (2) A document in (1) must be certified by:
 - (i) in the case of a document created or issued by the *Authorised Firm* itself, a director or secretary of the *Authorised Firm*;
 - (ii) in the case of a document issued by a public body responsible for the maintenance of the original document, a *Person* properly authorised by that public body; or
 - (iii) in any other case, a *Person* duly authorised to certify official documents in the jurisdiction in which the copy is being certified.

6.2.6 How long records and documents must be kept—general requirement

Unless otherwise stated in a specific provision, records and documents must be maintained by the *Authorised Firm* for at least six years.

7 Waivers and Modifications

7.1.1 Application for waiver or modification of provisions of Rules

An application under the *Financial Services Regulations (FSR)*, article 16 (Waiver or modifications of Rules) must include—

- (a) the applicant's name and QFC number; and
- (b) the provisions of the *Rules* to which the application relates; and
- (c) a clear explanation of the waiver or modification sought and why it is sought; and
- (d) details of any requirements for the waiver or modification sought and the reasons for them; and

Example of requirements

the waiver or modification is required for a particular, stated period

- (e) any reasons why the applicant requests that the waiver or modification notice should not be published or should be published without disclosing the applicant's identity or the confidential or proprietary nature of stated information; and
- (f) all relevant facts to support the application.

Note 1 An application may be made by 'a Person in the QFC' eg an *authorised firm*.

Note 2 For the matters about which the *Regulatory Authority* must be satisfied before giving a waiver or modification notice, see *FSR*, art 16 (2).

Note 3 For the publication, revocation and variation of waiver and modification notices, see *FSR*, art 16 (4) to (6).

Guidance

- 1 An applicant for a waiver or modification may withdraw the application at any time up to when the application is decided. The applicant should give reasons for the withdrawal of the application.
- 2 If a provision of the *Rules* is modified in its application to a *person*, contravention by the *person* of the provision as modified may be a contravention of a Relevant Requirement under the *FSR* (see art 84).
- 3 If a waiver or modification notice is given to a *person* subject to a condition, contravention of the condition may also be a contravention of a Relevant Requirement under the *FSR*.

7.1.2 Notice of material change in circumstances—applicant for waiver etc

If an applicant for a waiver or modification notice under the *Financial Services Regulations* becomes aware of any material change in circumstances that may affect the *Regulatory Authority's* decision on the application, the applicant must tell the authority about the change immediately, but within 1 *business day*.

Examples

See examples to rule 4.1.3 (1) on the meaning of 'within 1 *business day*'.

7.1.3 Notice of material change in circumstances—person with waiver etc

If a waiver or modification under the *Financial Services Regulations* applies to a *person* and the *person* becomes aware of any material change in circumstances that may affect the continuing relevance of the waiver or modification, the *person* must tell the *Regulatory Authority* about the change immediately but within 1 *business day*.

Examples

See examples to rule 4.1.3 (1) on the meaning of ‘within 1 *business day*’.

8 Controllers

8.1 Application

8.1.1 This chapter applies to:

- (A) *Persons* who acquire, or change their level or type of *Control* over an *Authorised Firm*; and
- (B) *Authorised Firms*.

8.2 General Provisions

Financial Services Regulations

Article 37 of the FSR states the definition of *Control*:

Acquiring and changing control

- (1) For the purposes of this Part, a Person acquires control over an Authorised Firm where he first:
 - (A) holds 10% or more of the shares in the Authorised Firm, or is entitled to exercise or control the exercise of 10% or more of the voting power in the Authorised Firm;
 - (B) holds 10% or more of the shares in a Parent Entity of the Authorised Firm or is entitled to exercise or control the exercise of 10% or more of the voting power in a Parent Entity of the Authorised Firm; or
 - (C) is able to exercise significant influence over the management of the Authorised Firm or a Parent Entity of the Authorised Firm by virtue of his shareholding or voting power, or by contractual or other arrangements.
- (2) The Regulatory Authority may issue Rules specifying the levels and type of control, and of change in control which will give rise to a notification requirement under Article 36 or require approval under Article 35.
- (3) For the purposes of this Article:
 - (A) shares -
 - (i) in relation to an Authorised Firm or relevant Parent Entity with a share capital, means allotted shares;
 - (ii) in relation to an Authorised Firm or relevant Parent Entity with capital but no share capital, means rights to share in the capital of the Authorised Firm or relevant Parent Entity; and
 - (iii) in relation to an Authorised Firm or relevant Parent Entity without capital, means interests conferring any right to share in the profits, or liability to contribute to the losses, of the Authorised Firm or relevant Parent Entity; or giving rise to any obligation to contribute to the debts or expenses of the Authorised Firm or relevant Parent Entity in the event of a winding-up; and
 - (B) voting power, in relation to an Authorised Firm or relevant Parent Entity which does not have general meetings at which matters are decided by the exercise of voting rights, means the right under the constitution of the Authorised Firm or relevant Parent Entity to direct the overall policy of the Authorised Firm or relevant Parent Entity or alter the terms of its constitution.
- (4) References in this Part to a change of control include any of the matters referred to in Article 36(1)(B) and reference to a Person acquiring or changing control shall be to a Person acquiring or changing control either alone or together with one or more Associate(s).

8.2.1 An *Authorised Firm* must establish and maintain systems and controls to enable it to:

- (A) be advised of any proposed or actual acquisitions or changes in *Control*; and
- (B) monitor any proposed or actual acquisition or changes in *Control*.

8.3 Requirement to Seek Approval and Notify the Regulatory Authority

Approval – Local Firms

8.3.1 A *Controller Notice* must be submitted to the *Regulatory Authority* to request approval to acquire *Control* in a *Local Firm*.

Notification – Local Firms

8.3.2 A *Controller Notice* must be submitted to the *Regulatory Authority* to notify the *Regulatory Authority* of a cessation in *Control* in a *Local Firm*.

Notification – Non-Local Firms

8.3.3 A *Controller Notice* must be submitted to the *Regulatory Authority* to notify the *Regulatory Authority* of a proposed or actual acquisition or cessation of *Control* in a *Non-Local Firm*.

Note See r 4.1.3 for an authorised firm's obligation to tell the authority about proposed restructurings, mergers, acquisitions, reorganisations and business expansions.

8.4 Controller Notice

8.4.4 A *Controller Notice* must be submitted by:

- (A) the *Authorised Firm* in question; or
- (B) where the *Authorised Firm* is not aware of the acquisition or change in *Control*, the *Person* who is proposing to acquire or cease *Control* or has acquired or ceased *Control*.

8.4.7 Time limit for giving controller notice

A *controller notice* for an acquisition or change in *control* must be given to the *Regulatory Authority*—

- (a) at least 20 *business days* before the acquisition or change in *control* happens; or
- (b) if it is not practicable to give notice in accordance with paragraph (a)—immediately after the *person* required to give the notice becomes aware of the proposed or actual acquisition or change in *control*, but within 1 *business day*.

Examples

See examples to rule 4.1.3 (1) on the meaning of 'within 1 *business day*'.

8.5 Consideration of Controller Notices

Guidance

Article 38 of the *FSR* sets out the decision making process of the *Regulatory Authority* with regard to a *Controller Notice*.

8.6 Annual Controllers Report

- 8.6.1** (1) An *Authorised Firm* must give the *Regulatory Authority* a controller's report for each financial year of the firm within 4 *months* after the financial year ends.

Example

If a financial year of an *authorised firm* ends on 31 December in a year, the controller's report for the financial year must be given to the *Regulatory Authority* before 1 May in the next year.

- (2) The controllers report in (1) must include:
 - (A) the name of each *Person* having *Control* over the *Authorised Firm*;
 - (B) the level and type of *Control* of each *Person* in (A);
 - (C) if the *Person* in (A) is a *Body Corporate*, its country of incorporation, address and registered number; and
 - (D) if the *Person* in (A) is an individual, his date and place of birth.

9 Accounting and Auditing

9.1 Application

9.1.1 This chapter applies to every *Authorised Firm*.

Guidance

1. *Authorised Firms* that are *QFC entities* are subject to the Accounting and Audit Requirements set out in the *Companies Regulations* (Section 11) and the *Limited Liability Partnership Regulations* (Part 9) as appropriate.
2. Article 123 of the *Companies Regulations* and Article 52 of the *Limited Liability Partnership Regulations* contain record keeping requirements for branches.
3. The *Financial Services Regulations* contain provisions relating to:
 - a. disclosure of information by auditors; and
 - b. rights and obligations regarding cooperation with auditors and an auditor's right of access to an *Authorised Firm's* book, accounts and material records.
4. This chapter provides additional provisions relating to audit and accounting requirements as they apply to *Authorised Firms*.

9.2 Accounting Records

9.2.1 An *Authorised Firm* must keep accounting records with respect to all sums of money received and expended by the *Authorised Firm* and all sales and purchases of goods and services and other transactions by the *Authorised Firm* and the assets and liabilities of the *Authorised Firm*. Such accounting records must be sufficient to show and explain all transactions by the *Authorised Firm* and must be such to:

- (A) disclose with reasonable accuracy the financial position of the *Authorised Firm* at any time;
- (B) enable the *Authorised Firm* to ensure that any accounts prepared by the *Authorised Firm* comply with the requirements in these *Rules*; and
- (C) record the financial position of the *Authorised Firm* as at its financial year end.

9.2.2 An *Authorised Firm* must maintain the accounting records, financial accounts and statements and auditors' reports required under the *Companies Regulations*, the *Limited Liability Partnership Regulations* and this chapter for at least six years from the date to which they relate.

9.3

Accounting Standards

- 9.3.1** Subject to Rules 9.3.2 and 9.3.3, an *Authorised Firm* must prepare and maintain all financial accounts and statements in accordance with *IFRS, US GAAP, UK GAAP* or such other principles or standards approved in writing by the *Regulatory Authority*.
- 9.3.2** An *Authorised Firm* which is an *Islamic Financial Institution* must prepare and maintain all financial accounts and statements in accordance with the accounting standards of *AAOIFI*.
- 9.3.3** An *Authorised Firm* which operates an *Islamic Window* must prepare and maintain all financial accounts and statements in accordance with one of those standards referred to in Rule 9.3.1 as supplemented by *AAOIFI FAS 18* in respect of its *Islamic Financial Business*.

Guidance

AAOIFI FAS 18 sets out the accounting rules for conventional financial institutions offering Islamic financial services. It provides rules for the recognition, measurement and presentation of assets managed, funds held and income earned on the basis of Shari'a principles. It also sets out the necessary disclosures required to be made in the course of conducting *Islamic Financial Business*.

9.4 Financial Accounts and Statements

9.4.1 Time limit for examining and reporting financial accounts and statements etc

Within four *months* after the day each financial year of an *authorised firm* ends, the firm must—

- (A) have its accounts and financial statements examined and reported upon by the *Authorised Firm's* auditor in accordance with the requirements of the *Companies Regulations* or *Limited Liability Partnership Regulations* and this chapter; and
- (B) file with the *Regulatory Authority* a copy of the financial statements and auditor's reports required under this chapter.

9.5 Audit and audit reports

9.5.1 Audit and audit reports—all firms

- (1) An *authorised firm* must in addition to the requirements contained in the *Companies Regulations* and the *Limited Liability Partnership Regulations*, ensure that its auditor:
 - (A) conducts an audit of the *authorised firm's* accounts and financial statements in accordance with the requirements of the relevant standards published by—

- (i) for financial business other than *Islamic financial business*—the International Auditing and Assurance Standards Board (*IAASB*) or any other body approved in writing by the *Regulatory Authority*; and
 - (ii) for *Islamic financial business*— *AAOIFI*;
- (B) produces a report on the audited accounts and financial statements which states:
- (i) whether, in the auditor’s opinion, the accounts have been properly prepared in accordance with the requirements imposed by this chapter;
 - (ii) in particular, whether the accounts give a true and fair view of the financial position of the *Authorised Firm* for the financial year and of the state of the *Authorised Firm’s* affairs at its financial year end; and
 - (iii) any other matter or opinion relating to the requirements of this chapter; and
- (C) produces an auditor’s report which states whether:
- (i) the auditor has audited the *authorised firm’s* accounts and financial statements in accordance with the requirements of the applicable relevant standards;
Note **Applicable relevant standards** is defined in r (2).
 - (ii) the auditor has carried out any other procedures considered necessary having regard to the applicable relevant standards;
 - (iii) the auditor has received all necessary information and explanations for the purposes of preparing this report to the *Regulatory Authority*;
 - (iv) in the auditor’s opinion, the *Authorised Firm’s* prudential returns have been properly prepared by the *Authorised Firm* and provide a true and fair representation of the financial position of the *Authorised Firm*, as at the date of the *Authorised Firm’s* financial year end;
 - (v) in the auditor’s opinion, the *Authorised Firm’s* prudential returns to the *Regulatory Authority* have been properly reconciled with the appropriate audited accounts;

- (vi) for an *authorised firm* that is subject to a capital requirement under *PIIB* that is based on the firm's expenditure based capital minimum (within the meaning of *PIIB*)—in the auditor's opinion, the firm has calculated the capital requirement in accordance with *PIIB*; and
- (vii) for an *authorised firm* that is subject to a capital requirement under *IMEB* that is based on a net asset value (within the meaning of *IMEB*) of at least 50% of paid-up share capital—in the auditor's opinion, the firm has calculated the capital requirement in accordance with *IMEB*; and
- (viii) for an *authorised firm* that is subject to a capital requirement under *CAP* that is based on whichever is the higher of the firm's base capital requirement and risk based capital requirement (within the meaning of those requirements in *CAP*)—in the auditor's opinion, the firm has calculated the capital requirement in accordance with *CAP*; and
- (ix) for an *authorised firm* that is subject to a minimum capital requirement under *PINS* that is based on whichever is the higher of the firm's base capital requirement and risk based capital requirement (within the meaning of those requirements in *PINS*)—in the auditor's opinion, the firm has calculated the minimum capital requirement in accordance with *PINS*; and
- (x) in the auditor's opinion, the *Authorised Firm's* financial resources as at its financial year end have been properly calculated in accordance with the *Rules* and are sufficient to meet the relevant prudential requirements; and
- (xi) in the auditor's opinion, the *Authorised Firm* has kept proper accounting records, in compliance with the applicable *Rules*.

(2) In this rule:

applicable relevant standards means the relevant standards published by—

- (a) for financial business other than *Islamic financial business*—IAASB or another body approved under subrule (1) (A) (i); or
- (b) for Islamic financial business—AAOIFI.

9.5.2 Additional audit reports—client money

- (1) This rule applies to an *authorised firm* for a financial year of the firm if the firm controls or holds *client money* at any time during the year.
- (2) The *authorised firm* must ensure that its auditor also produces a report for the financial year that states whether, in the auditor's opinion—
 - (a) the firm maintained systems and controls throughout the year to enable it to comply with the provisions of the *Assets Rules 2005 (ASET)* or the *Insurance Mediation Business Rules 2011 (IMEB)* (or both) relating to *client money*; and

- (b) the firm's controls ensured that *client money* controlled or held by it was identifiable and secure at all times during the year; and
- (c) any of the requirements of ASET or IMEB relating to *client money* were not complied with by the firm during the year; and
- (d) the firm controlled or held an appropriate amount of *client money* in accordance with ASET or IMEB (or both) at the date the firm's audited balance sheet was prepared; and
- (e) there have been material discrepancies in the reconciliation of *client money* during the year.

9.5.3 Additional audit reports—custody

- (1) This rule applies to an *authorised firm* for a financial year of the firm if the firm *provided custody services* at any time during the year.
- (2) The *authorised firm* must ensure that its auditor also produces a report for the financial year that states whether, in the auditor's opinion—
 - (a) the firm maintained systems and controls throughout the year to enable it to comply with the provisions of the *Assets Rules 2005 (ASET)* relating to the *provision of custody services*; and
 - (b) the investments in relation to which the firm *provided custody services* during the year were registered, recorded and held in accordance with those provisions; and
 - (c) any of the other requirements of those provisions were not complied with during the year; and
 - (d) there have been material discrepancies in the reconciliation of those investments during the year.

9.6 Change in the Financial Year End

Note 1 Under the *Companies Regulations 2005*, article 81 (3), a limited liability company incorporated under the regulations may set a new financial year end date by giving notice in the prescribed form to the *CRO*.

Note 2 Under the *Limited Liability Partnership Regulations 2005*, article 33 (3), a limited liability partnership may set a new financial year end date by giving notice in the prescribed form to the *CRO*.

QFC Entity

- 9.6.1** (1) An *Authorised Firm* which is *QFC Entity* must obtain the prior written consent of the *Regulatory Authority* before specifying a new financial year end relating to:
- (A) the *QFC Entity's* current financial year and subsequent financial years;
- or

- (B) the *QFC Entity's* previous financial year and all financial years subsequent to that previous financial year

where a *QFC Entity's* previous financial year means the year immediately preceding its current financial year.

- (2) A change to the financial year end of an *Authorised Firm* that is a *QFC Entity* will not be approved by the *Regulatory Authority* in respect of a previous financial year if the period allowed for laying and delivering accounts in relation to that year has already expired.

Non-QFC Entity

- 9.6.2** An *Authorised Firm* which is not a *QFC Entity* must provide the *Regulatory Authority* with reasonable advance notice prior to changing its financial year end.

9.7 Auditors

9.7.1 Section 9.7 additional to other provisions

To remove any doubt, if an *authorised firm* is a limited liability company, limited liability partnership, or limited partnership, incorporated under any *Regulations*, this part is additional to the provisions of any *Regulations* (including any rules made or in force under any *Regulations*) applying in relation to the firm as such a company or partnership.

9.7.2 Appointment of auditor

- (1) An *authorised firm* may, from time to time, appoint an auditor for the firm, and must ensure that there is, at all times, an auditor appointed for the firm.
- (2) Before appointing an auditor (whether or not in replacement of another auditor and whether or not the appointment is at the direction of the *Regulatory Authority*), the firm must apply to the authority for approval to appoint the proposed auditor.
- (3) The application must include a statement that the authorised firm is satisfied that the proposed auditor is eligible to be appointed as the firm's auditor under rule 9.7.3 (1) (Eligibility for appointment as auditor).
- (4) The *Regulatory Authority* must –
 - (a) approve the appointment of the proposed auditor; or
 - (b) refuse to approve the appointment of the proposed auditor.

- (5) The Regulatory Authority must give the authorised firm written notice of its decision on the application.
- (6) If the *Regulatory Authority* refuses to approve the appointment of the proposed auditor, the notice must –
 - (a) give reasons for the decision; and
 - (b) tell the *authorised firm* that it may appeal to the *Regulatory Tribunal* against the decision.
- (7) The authorised firm must not appoint the proposed auditor unless the Regulatory Authority has approved the appointment.
- (8) If the *authorised firm* appoints the proposed auditor, the firm must tell the *Regulatory Authority* about the appointment, and when it takes effect, immediately, but by no later than the second *business day* after the day the appointment is made.

9.7.3 Eligibility for appointment as auditor

- (1) An *authorised firm* must not appoint a *person* as auditor for the firm unless the person –
 - (a) has consented in *writing* to the appointment being made; and
 - (b) has the skills, resources and experience necessary to audit the firm’s business; and
 - (c) has satisfied the firm that it and its relevant audit staff are –
 - (i) independent of the firm; and
 - (ii) not subject to any conflict of interest in relation to the firm.
- (2) The *authorised firm* must make and keep sufficient records to demonstrate that it complied with subrule (1) before the appointment was made.
- (3) The records must be kept for at least 6 years after the day the *person* ceases to be auditor for the *authorised firm*.

9.7.4 Direction to replace auditor

- (1) This rule applies if the *Regulatory Authority* considers that a *person* appointed as auditor for an *authorised firm* is not suitable to be, or to continue to be, auditor for the firm.
- (2) The *Regulatory Authority* may, by *written* notice, direct the *authorised firm* to end the *person's* appointment as auditor and to appoint another auditor for the firm.
- (3) The *authorised firm* must comply with the direction within the period stated in the direction or, if no period is stated, within a reasonable period.
- (4) The *Regulatory Authority* must give the *person* a copy of the notice.
- (5) The notice must—
 - (a) give, or be accompanied by, reasons for the direction; and
 - (b) state that the *authorised firm* or *person* (or both) may appeal to the *Regulatory Tribunal* against the decision to give the direction.

9.7.5 Direction to appoint auditor

- (1) This rule applies if there is not, at any time, an auditor appointed for an *authorised firm*.

Note See r 9.7.6 for the duty of an *authorised firm* to notify the authority if the appointment of an auditor ends for any reason.
- (2) The *Regulatory Authority* may, by *written* notice, direct the *authorised firm* to appoint an auditor for the firm.

Note The auditor must be appointed in accordance with r 9.7.2 (Appointment of auditor).
- (3) The *authorised firm* must comply with the direction within the period stated in the direction or, if no period is stated, within a reasonable period.

9.7.6 Notification if appointment of auditor ends

If the appointment of an auditor of an *authorised firm* ends for any reason, the firm must tell the *Regulatory Authority* immediately, but by no later than the second *business day* after the day the appointment ends—

- (a) that the appointment has ended; and
- (b) the reason for the appointment ending.

Note For the obligation of the *person* to notify the *Regulatory Authority* if the *person's* appointment ends, see *Financial Services Regulations*, art 91 (Resignation of auditors and actuaries).

10 Fees

10.1 Application

10.1.1 This chapter applies to an *Authorised Firm*, or an *Applicant* for *Authorised Firm* status.

10.2 General Provisions

10.2.1 Where a fee is payable for any application to the *Regulatory Authority*, the application may not be regarded as submitted until the fee has been paid in full.

10.2.2 Where an annual fee or supplementary fee in relation to ongoing supervision is due from an *Authorised Firm* under a provision of these *Rules*, it must be paid by the date upon which it falls due. Should an *Authorised Firm* fail to pay by the due date then, without limiting the right of the *Regulatory Authority* to take any other action, the sum due will be increased by 1% for each *month*, or part of a *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 *Authorised Firm* is in breach of a *Rule* and the *Regulatory Authority* is entitled to take action including, but not limited to, taking steps to withdraw *Authorisation* to conduct one or more *Regulated Activities*.

10.2.3 The *Regulatory Authority* may reduce, waive or refund all or part of any fee if, having considered the circumstances of a particular case, it deems it would be equitable to do so.

10.3 Supplementary Fees

10.3.1 (1) The *Regulatory Authority* may require an *Authorised Firm* or *Applicant* to pay a supplementary fee to the *Regulatory Authority* in circumstances where it expects to incur substantial additional costs in dealing with an application or conducting ongoing supervision.

(2) In such cases the *Regulatory Authority* will notify the *Applicant* as soon as reasonably practicable of the amount of the supplementary fee.

Guidance

1. A supplementary fee may be levied by the *Regulatory Authority* because it expects that certain applications will require more intensive scrutiny than others. For example, 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 *Regulatory Authority* and the relevant regulators in that jurisdiction. Equally, where the entity is incorporated in the *QFC*, a full analysis of the prudential and systems arrangements will be required.

2. A supplementary fee may also be levied by the *Regulatory Authority* in cases where the ongoing supervision of the *Authorised Firm* appears to the *Regulatory Authority* to be likely to cause it to incur substantial additional costs.

10.4 Application Fees

10.4.1 An *Applicant* seeking to conduct *Regulated Activities* in or from the *QFC* and an *Authorised Firm* applying for *Authorisation* to conduct additional *Regulated Activities* must pay to the *Regulatory Authority*:

- (A) the application fees specified in Appendix 4; and
- (B) any supplementary fee required by the *Regulatory Authority*.

10.4.2 Any application fees paid, whether in respect of an *Applicant*, *Authorised Firm* or *Approved Individual*, are non-refundable, regardless of whether the application is successful or not.

10.5 Annual Fees

10.5.1 An *Authorised Firm* must pay to the *Regulatory Authority*:

- (A) the annual fee specified in Appendix 4; and
- (B) any supplementary fee required by the *Regulatory Authority*.

10.5.2 (1) The initial annual fee must be paid in full to the *Regulatory Authority* within 21 days of the date of *Authorisation*.

- (2) Subsequent annual fees must be paid in full to the *Regulatory Authority* on or before 1 January of every calendar year.

Guidance

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

10.6 Fees for Extracts of Information from the Registers of Public Information

10.6.1 *Persons* seeking extracts of information in accordance with Rule 3.5.1 maintained in the public registers by the *Regulatory Authority* in relation to an *Authorised Firm* or *Approved Individual* must, upon application pay the fee prescribed in Appendix 4.

10.7 Fees for certain reporting etc contraventions

10.7.1 Application of s 10.7

- (1) This section applies if a *person* contravenes any of the rules mentioned in subrule (2) by failing to provide a notification, report or return (however described) to the *Regulatory Authority* as, or within the time within which, that rule requires it to be provided.
- (2) The rules are the following:
 - (a) rule 8.6.1 and rule 9.4.1 (Time limit for examining and reporting financial accounts and statements etc);
 - (b) *CAPI*, rule 2.3.1 (Preparation of prudential returns), rule 2.3.7 (Strategy and risk document—copy must be given to Regulatory Authority), rule 7.2.4 (2) (Time for giving report) and rule 7.3.1 (Regulatory Authority may require additional reports);
 - (c) *COLL*, rule 5.6.3 (Reports and accounts generally—QFC qualified investor schemes), rule 5.6.18 (Publication and availability of annual and half-yearly long reports—QFC retail schemes), rule 9.2.7 (Accounting and reports during winding-up—all QFC schemes) and rule 10.2.6 (Quarterly returns for financial promotions etc—all non-QFC schemes);
 - (d) *IMEB*, rule 2.4.2 (Time Limit for Annual Prudential Returns) and rule 2.4.3 (Time Limit for Quarterly Prudential Returns);
 - (e) *ISFI*, rule 6.2.2;
 - (f) *PIIB*, rule 1.4.2 (Time limit for annual prudential returns), 1.4.3 (Time limit for biannual prudential returns) and rule 1.4.4 (Time limit for quarterly prudential returns);
 - (g) *PINS*, rule 1.4.2 (Time limit for annual prudential returns of insurers), rule 1.4.3 (Time limit for biannual prudential returns of insurers), rule 1.4.4 (Time limit for quarterly prudential returns of insurers), rule 9.3.2 and rule 9.4.3;
 - (h) *PRIV*, rule 5.5.3 (Reports and accounts generally) and rule 7.2.6 (Accounting and reports during winding-up).
- (3) Without limiting subrule (1) and to remove any doubt, this section applies—
 - (a) in relation to a contravention referred to in subrule (1) whether the relevant rule uses the word ‘provide’, ‘submit’, ‘give’, ‘notify’, ‘advise’, ‘inform’ or ‘tell’, or some other word; and
 - (b) to a failure to provide a notification, report, or return (however described) to the authority as, or within the time within which, it was required to be provided, if—
 - (i) the notification, report or return was not received (or considered to have been received) at all by the authority within that time; or
 - (ii) the notification, report or return was received by the authority within that time, but—
 - (A) it was incomplete or inaccurate in a material respect; or
 - (B) if under any *Regulations* or *Rules* it was required to be in a particular form, it was not in substantially that form; or

- (C) if under any *Regulations* or *Rules* it was required to be prepared, completed or signed in a particular way, it was not prepared, completed or signed in that way; or
 - (D) if under any *Regulations* or *Rules* it was required to be provided (however described) to the authority in a particular way, it was not provided in that way.
- (4) In this section, a reference to a *notification*, *report*, or *return* (however described) includes a reference to any part of the notification, report or return.

10.7.2 Late fees

- (1) A fee, of the relevant amount, is payable by a *person* for a contravention by the *person* to which this section applies if the contravention continues for 5 business days or longer.
- (2) For this section, the *relevant amount* is the total of—
 - (b) US \$500; and
 - (c) US \$100 for each business day (or part of a business day) after the 6th business day during which the contravention continues.

Note The *Regulatory Authority* may reduce, waive or refund such a fee—see rule 10.2.3.

10.7.3 Other action not prevented

Nothing in this section prevents the *Regulatory Authority* taking action under the *FSR*, article 31 or part 8 or 9, in relation to a contravention to which this section applies.

11 Restrictions in Relation to Specified Products

Note for ch 11

Provisions of the *Financial Services Regulations*, schedule 3, part 2 permit the making of rules in relation to certain specified products (see par 7.2 (Options), par 8.3 (Futures) and par 10.2 (Qualifying contracts of insurance)). This chapter sets out rules, and related guidance, for those specified products.

11.1.1 Options and futures that are and are not specified products

The circumstances in which either an *Option* or a *Futures* contract is regarded as being made for commercial purposes and therefore excluded from the respective definition of a *Specified Product*; and conversely, the circumstances in which it is considered to be made for investment purposes and therefore included within the respective definition, are set out below:

- (a) a contract is regarded as made for investment purposes if—
 - (i) it is made, or traded, on a *regulated exchange*; or
 - (ii) it is made otherwise than on a *regulated exchange*, but is expressed to be traded on—
 - (A) a regulated exchange; or
 - (B) the same terms on which an equivalent contract would be traded on a *regulated exchange*;
- (b) a contract not falling within paragraph (a) is regarded as made for commercial purposes if under the terms of the contract delivery is to be made within seven days, unless it can be shown that there existed an understanding that (notwithstanding the express terms of the contract) delivery would not be made within seven days;
- (c) the following are indications that a contract not falling within paragraph (a) or (b) is made for commercial purposes (the absence of them is an indication that it is made for investment purposes):
 - (i) one or more of the parties produces, or uses in his business the commodity or other property;
 - (ii) the seller delivers or intends to deliver the property or the purchaser takes or intends to take delivery of it; or
 - (iii) the price, the lot size, the delivery date and other terms are determined by the parties for the purposes of the particular contract and not by reference (or not solely by reference) to regularly published prices, to standard lots or delivery dates or to standard terms;
- (d) the following are indications that a contract is made for investment purposes:
 - (i) it is expressed to be as traded on an a *regulated exchange*;
 - (ii) performance of the contract is ensured by a *regulated exchange* or a clearing house; or
 - (iii) there are arrangements for the payment or provision of margin; and

- (e) for the purposes of paragraph (a), a price is to be taken to be agreed on when a contract is made:
 - (i) notwithstanding that it is left to be determined by reference to the price at which a contract could be entered into on a market or exchange or could be entered into at a time and place specified in the contract; or
 - (ii) in a case where the contract is expressed to be by reference to a standard lot and quality, notwithstanding that provision is made for a variation in the price to take account of any variation in quantity or quality on delivery.

11.1.2 Contracts of insurance that are qualifying contracts of insurance

A contract of insurance is a qualifying contract of insurance if it falls into 1 or more of the categories of general insurance contract or long term insurance contract mentioned in the *Financial Services Regulations*, schedule 3, part 3, paragraphs 10.3 and 10.4.

Guidance

Contracts of Insurance are further sub-defined in *INAP* into those constituting *Non-Investment Insurance Contracts*, *Pure Protection Contracts* and *Long Term Care Insurance Contracts* and the restrictions surrounding activities conducted in relation to them are detailed in *PINS*.

App1 Guidance on Fitness and Propriety of Authorised Firms

A1.1 Introduction

Guidance

1. This appendix provides guidance on the criteria the *Regulatory Authority* may take into account when assessing for the purposes of Article 29 of the *FSR* and chapter 2 the *Fitness and Propriety* of:
 - a. an *Applicant* to be an *Authorised Firm*; and
 - b. an *Authorised Firm*.
2. In considering any specific matters, the *Regulatory Authority* may request reviews by any appropriately skilled third party on any aspect of the *Authorised Firm's* proposed or actual activities or the environment in which it predominantly operates.
3. The *Regulatory Authority* may request or require any information which it considers relevant to its consideration of an application.

A1.2 Fitness and Propriety Criteria

1. Further to Article 29 of *FSR* and chapter 2 of this rulebook, the *Regulatory Authority* may consider the following matters in assessing the fitness and propriety of an *Applicant* or an *Authorised Firm*.

Controllers, close links and other connections

2. Pursuant to Rule 2.3.1(A) and (B) the *Regulatory Authority* must be satisfied that an *Applicant's* or *Authorised Firm's* *Controllers*, *Close Links* and other connections, are not likely to prevent effective supervision of the *Authorised Firm* by the *Regulatory Authority*.
3. The *Regulatory Authority* will also have regard to:
 - a. the *Authorised Firm's* position within its *Group*, including any other relationships that may exist between the *Authorised Firm's* affiliates, *Controllers* or other *Close Links*;
 - b. any information provided by other regulators in relation to the *Authorised Firm* or any entity within its *Group*;
 - c. the background, history and principal activities of the *Authorised Firm's* *Controllers*, including that of the *Controller's* *Directors*, *Partners* or other officers associated with the *Group*, and the degree of influence that they are, or may be, able to exert over the *Authorised Firm* or its activities; and
 - d. whether the *Authorised Firm* or its *Group* is subject to any adverse effect or considerations arising from its country of incorporation or the country (or countries) of incorporation of its *Controllers*. In considering such matters, the *Regulatory Authority* will also have regard to the type and level of regulatory oversight in the country or countries of incorporation referred to above, the regulatory infrastructure and adherence to any internationally held conventions and standards.
4. The *Regulatory Authority* may request that an *Applicant* or *Authorised Firm* submit a report on its *Controllers*, *Close Links* or other connections at anytime.

Location of Offices

5. Under Rule 2.3.1(E), an *Applicant* or an *Authorised Firm* will need to satisfy the *Regulatory Authority* that the location of its and its *Parent Entity's* head office and registered office will not prevent the effective supervision of the *Authorised Firm*.
6. The *Regulatory Authority* will consider the head office of an *Authorised Firm* to be where the firms mind and management is and will have regard to the location of its directors, partners and senior management with respect to its strategic, operational and administrative arrangements.

Background and History

7. The *Regulatory Authority* will have regard to:
 - a. any matter affecting the propriety of the *Authorised Firm's* conduct, whether or not such conduct may have resulted in the commission of a criminal offence or the contravention of the law or the institution of legal or disciplinary proceedings of whatever nature;
 - b. whether an *Authorised Firm* has ever been the subject of disciplinary procedures by a government body or agency or any self regulating organisation or other professional body;
 - c. any contravention of any provision of financial services legislation or of rules, regulations, statements of principle or codes of practice made under it or made by a recognised self regulatory organisation, exchange or clearing house;
 - d. whether an *Authorised Firm* has been refused, or had a restriction placed on, the right to carry on a trade, business or profession requiring a licence, registration or other permission;
 - e. any adverse finding or an agreed settlement in a civil action by any court or tribunal of competent jurisdiction resulting in an award against or payment by an *Authorised Firm* in excess of \$10,000 or awards that total more than \$10,000;
 - f. whether an *Authorised Firm* has been censured, disciplined, publicly criticised or the subject of a court order at the instigation of any regulatory authority, or any officially appointed inquiry, or any other *Overseas Regulator*; or
 - g. whether an *Authorised Firm* has been open and truthful in all its dealings with the *Regulatory Authority*.

Resources, Systems and Controls

8. The *Regulatory Authority* will have regard to whether the *Authorised Firm* has sufficient resources of all types, including:
 - a. the *Authorised Firm's* financial resources and whether it complies, or will comply, with any applicable financial *Rules*, and whether the *Authorised Firm* appears in a position to be able to continue to comply with such rules;
 - b. the extent to which the *Authorised Firm* is or may be able to secure additional capital in a form acceptable to the *Regulatory Authority* where this appears likely to be necessary at any stage in the future;
 - c. the availability of sufficient competent human resources to conduct and manage the *Authorised Firm's* affairs, in addition to having a sufficient type and number of *Approved Individuals* to conduct and manage the *Authorised Firm's Regulated Activities*;
 - d. whether the *Authorised Firm* has sufficient and appropriate systems and controls in order to support, monitor and manage its affairs, resources and regulatory obligations in a sound and prudent manner;

- e. whether the *authorised firm* has an appropriate AML/CFT programme; and
- f. the impact of other members of the *Authorised Firm's Group* on the adequacy of the *Authorised Firm's* resources and in particular, though not exclusively, the extent to which the *Authorised Firm* is or may be subject to consolidated prudential supervision by the *Regulatory Authority* or another *Overseas Regulator*.

Collective Suitability of Individuals or other Persons Connected to the Authorised Firm

- 9. Notwithstanding that individuals performing *Controlled Functions* must be *Approved Individuals* and that an *Authorised Firm* must appoint certain *Approved Individuals* to certain functions as stated in the *INDI Rulebook*, in assessing the *Fitness and Propriety* of an *Authorised Firm* the *Regulatory Authority* will also consider:
 - a. the collective suitability of all of the *Authorised Firm's* staff taken together, and whether there is a sufficient range of individuals with appropriate skills and experience to understand, operate and manage the *Authorised Firm's* affairs in a sound and prudent manner;
 - b. the individual or collective suitability of any *Person* or *Persons* connected with the *Authorised Firm*;
 - c. the extent to which the *Authorised Firm* has robust human resources policies designed to ensure high standards of conduct and integrity in the conduct of its activities; and
 - d. whether the *Authorised Firm* has appointed auditors, actuaries and advisers with sufficient experience and understanding in relation to the nature of the *Authorised Firm's* activities.

Schedule 2 Overview of reporting requirements

Note on reporting requirements

This note provides a list of *provisions* of the *Rules* under which there are requirements to report periodically to the *Regulatory Authority*. However, the list may not be a complete statement of all relevant provisions and should not be relied on as such.

1 **COLL**

1.1 **Operators**

- r 5.6.3 (Reports and accounts generally—QFC qualified investor schemes)
- r 5.6.18 (Publication and availability of annual and half-yearly long reports—QFC retail schemes)

1.2 **Independent entities**

- r 4.2.10 (Non-QFC independent entities—annual compliance certificate)

1.3 **Reports during winding-up**

- r 9.2.7 (Accounting and reports during winding-up—all QFC schemes)

1.4 **Non-QFC scheme promotions**

- r 10.2.6 (Quarterly returns for financial promotions etc—all non-QFC schemes)

2 **GENE**

2.1 **Annual controllers report**

- r 8.6.1

2.2 **Financial accounts and statements**

- r 9.4.1

2.3 **Audit reports**

- r 9.4.1

3 **PIIB**

3.1 **Prudential returns**

- r 1.4.1

4 **ISFI**

4.1 **Shari'a Supervisory Board reports**

- r 6.2.2

5 **PRIV**

5.1 **Reports and accounts**

- r 5.5.3 (Reports and accounts generally)
- r 7.2.6 (Accounting and reports during winding-up)

6 **PINS**

6.1 **Prudential returns**

- r 1.4.1

6.2 **Financial condition reports**

- r 9.3.2

6.3 Independent actuarial reports

- r 9.4.2

7 CAPI

7.1 Controlled functions

- r 5.1.4

7.3 Additional reports

- r 7.3.1 (Regulatory Authority may require additional reports)

8 IMEB

8.1 Prudential returns

- r 2.4.1 (Preparation of prudential returns)

Schedule 3 Overview of recordkeeping requirements

Note on recordkeeping requirements

This note provides a list of *provisions* of the *Rules* under which there are recordkeeping requirements. However, the list may not be a complete statement of all relevant provisions and should not be relied on as such.

1 **AML/CFTR**

1.1 **AML/CFT records to be made by firm**

- r 1.2.6 (Principle 6—evidence of compliance)
- r 3.4.4 (2) (Electronic verification of identification documentation)
- r 4.3.10 (3) (Ongoing monitoring required)
- r 4.6.2 (Records of customer identification documentation etc)
- r 7.1.1 (Records about compliance)
- r 7.2.1 (Records for customers and transactions)
- r 7.2.2 (Training records)

1.2 **AML/CFT records to be made by MLRO**

- r 5.1.10 (Reporting records to be made by MLRO etc)
- r 5.2.2 (3) (Firm must ensure no tipping off occurs)
- r 5.2.3 (3) (Information relating to suspicious transaction reports to be safeguarded)

2 **ASET**

2.1 **Client money**

- r 2.2.2 (2) and (3) (Client money exceptions—cheques etc forwarded to regulated financial institutions outside QFC)
- r 2.5.8
- s 2.13
- r 3.3.2 (b)
- r 7.1.1 (3) and (4) (Certain firms must not hold client money)

2.2 **Custody services**

- r 4.1.4 (a) and (c)
- r 4.4.1
- r 4.4.3
- r 4.6.2 (b)
- s 4.11

2.3 **Collateral for investment business**

- r 5.2.1 (Adequate records to be kept for relevant investments held as collateral)

2.4 **Mandates over client accounts**

- r 6.1.1 (3) (b)

3 **COLL**

3.1 **Operators**

- r 4.1.6 (Register of unitholders—all QFC schemes)
- r 4.1.7 (Records of operator—all QFC schemes)
- r 5.5.1 (Unitholder meetings—QFC qualified investor schemes)
- r 5.5.11 (Chair, adjournment and minutes of unitholder meetings—QFC retail schemes)
- r 6.2.8 (Investments in non-Qatari immovables through intermediate holding vehicles—QFC qualified investor schemes)
- r 8.1.3 (How units are issued and redeemed etc—QFC qualified investor schemes)

- r 8.1.10 (How units are issued and redeemed etc—QFC retail schemes)
- r 8.2.11 (Controls over issue and redemption of units—QFC retail schemes)
- r 8.2.13 (Recording and reporting incorrect pricing—QFC retail schemes)
- r 8.3.1 (Unitholder register requirements—all QFC schemes)
- r 8.3.2 (Transfer of units by act of parties—all QFC schemes)

3.2 Independent entities

- r 4.2.7 (Records of independent entity—QFC schemes)

3.3 Outsourcing

- r 8.5.5 (Provisions applying to outsourcing by operator and independent entity—all QFC schemes)

3.4 Non-QFC schemes

- r 10.2.7 (Recordkeeping by authorised firms—all non-QFC schemes)

4 COND

4.1 Obligations of all authorised firms

- r 2.2.8 (Approved representative and non-QFC intermediary—recordkeeping)
- r 2.3.5 (Client classification—recordkeeping)
- r 2.5.10 (Inducements—recordkeeping)
- r 2.6.5 (Customer complaints—recordkeeping)
- r 2.8.1 (General recordkeeping obligation)

4.2 Financial promotions

- r 3.4.1 (Financial promotions—recordkeeping)

4.3 Conduct of investment business

- r 4.2.9 (Initial client contact—recordkeeping)
- r 4.3.9 (Retail investment services—recordkeeping)
- r 4.3.20 (Life policies—recordkeeping)
- r 4.4.6 (Confirmation notes—recordkeeping)
- r 4.4.10 (Periodic statements—recordkeeping)
- r 4.4.15 (Relevant investment contracts cancellation—recordkeeping)
- r 4.5.1 (2) (b) (Investment research—conflicts of interest and impartiality)
- r 4.5.4 (Investment research recommendations—recordkeeping)
- r 4.5.6 (Personal account transaction—recordkeeping)
- r 4.5.9 (Dealing and managing—recordkeeping)
- r 4.5.10 (c) (Dealing and managing—aggregation of customer orders)
- r 4.5.13 (2) and (3) (Aggregation of customer orders—fair allocation etc)
- r 4.5.16 (2) (Dealing and managing—non-market price transactions)
- sch 5 (Recordkeeping—dealing and managing)

4.4 Conduct of non-investment insurance mediation business

- r 5.3.5 (Non-investment insurance advice—recordkeeping)

4.5 Conduct of insurance business

- r 6.2.10 (Insurance contract cancellation—recordkeeping)
- r 6.3.4 (Claims handling—recordkeeping)

4.6 Conduct of deposit taking business

- r 7.2.5 (Terms of business for deposit taking—recordkeeping)

5 CTRL

5.1 Management oversight reports

- r 2.2.2

5.2 Allocation of responsibilities

- r 3.2.1

- r 3.2.2

5.3 Systems, procedures, controls and resources reports

- r 4.1.3 (1)

5.4 Business records

- r 4.11.1

6 GENE

6.1 General recordkeeping requirement

- r 6.1.1

6.2 Accounting and financial records

- r 9.2.1
- r 9.2.2
- r 9.3.1

6.3 Auditors

- r 9.7.3 (2) (Eligibility for appointment as auditor)

7 INDI

7.1 Suitability and competence of approved individuals

- r 5.1.5

7.2 Continuing competence of approved individuals

- r 5.3.1

8 PIIB

8.1 Transfers between trading book and non-trading book

- r 1.3.9 (2)
- r A1.7.1 (a)

8.2 Credit

- A4.2, guidance 34

8.3 Connected counterparty exemptions

- r A4.8.12 (c)

8.4 Credit derivatives

- r A4.11.4 – r A4.11.9
- r A4.11.12
- r A4.11.16 – r A4.11.17
- r A4.11.22 (b)
- r A4.11.28
- r A4.11.33
- r A4.11.37
- r A4.11.41

8.5 Market risk

- A5.1, guidance 19

9 ISFI

9.1 Shari'a Supervisory Board

- r 6.1.3 – r 6.1.4

10 PRIV

- r 4.1.7 (Register of unitholders)

- r 4.1.8 (Records of operator)
- r 6.1.3 (Issue and redemption of units generally)
- r 6.3.1 (Unitholder register requirements)
- r 6.3.2 (Transfer of units by act of parties)
- r 6.5.4 (Provisions applying to outsourcing by operator)

11 PINS

11.1 Long-term insurance business—segregation

- r 5.4.1 – r 5.4.5

11.2 Takaful funds—segregation

- r 6.4.2

11.3 Classification of insurance contracts

- r 8.3.2 – r 8.3.2

11.4 Consolidated supervision—group transactions

- r 10.3.2

12 CAPI

12.1 Measurement of value of assets and liabilities

- r 6.1.1 (Classification of contracts)

13 IMEB

13.1 Client money

- r 3.3.3 (2) (b) and (d) (Accounting for client money)

13.2 Third-party related distribution event

- r 4.3.2 (3) (Firm may make good deficit)

13.3 Restrictions on holding client money

- r 5.1.1 (3) (Certain firms must not hold client money)

13.4 Collateral

- r 6.1.2 (Records for relevant investments held as collateral)

13.5 Client mandates

- r 7.1.2 (3) (b) (Mandates—systems and controls)

13.6 Record keeping and giving information

- r 8.1.2 (Firm to make and keep records)
- r 8.1.4 (List of accounts and eligible intermediaries)]

13.7 Documents and assets

- r 8.1.7 (2) (c) and (3) (Duty to safeguard documents and assets)

App4 Fees Table

A4.1 The Fees Table.

A4.1.1 Base fees are determined by the *Regulated Activities* the *Authorised Firm* conducts or intends to conduct, as set out below:

Application Fee by Regulated Activities	(US \$)
Deposit Taking	40,000
Providing Credit Facilities	40,000
<i>Effecting a Contract of Insurance or Carrying out a Contract of Insurance (otherwise than as a QFC captive insurer)</i>	40,000
<i>Effecting a contract of insurance or carrying out a contract of insurance as a QFC captive insurer that is not a protected cell company</i>	5,000
<i>Effecting a contract of insurance or carrying out a contract of insurance as a QFC captive insurer that is a protected cell company</i>	8,000, plus 1,000 for each cell (within the meaning given by <i>CAPI</i>)
Dealing in Investments (as principal)	25,000
<i>Dealing in investments (as agent), except if carried on only for the purpose of insurance mediation business or captive insurance management</i>	10,000
<i>operating collective investment schemes</i>	10,000
<i>Managing investments, except if carried on only for the purpose of insurance mediation business or captive insurance management</i>	10,000
<i>Arranging deals in investments, except if carried on only for the purpose of insurance mediation business or captive insurance management</i>	10,000
Arranging Credit Facilities	10,000
<i>Advising on investments, except if carried on only for</i>	10,000

the purpose of <i>insurance mediation business</i> or <i>captive insurance management</i>	
Providing Custody Services	10,000
Arranging the Provision of Custody Services	10,000
<i>Dealing in investments</i> (as agent), <i>managing investments</i> , <i>arranging deals in investments</i> , <i>advising on investments</i> or assisting in the administration or performance of <i>contracts of insurance</i> , if carried on only for the purpose of <i>insurance mediation business</i> or <i>captive insurance management</i>	1,000

A4.2 Application Fees

A4.2.1 Fees for initial application—firm to conduct 1 or more regulated activities

- (1) An *applicant* seeking *authorisation* to conduct 1 or more *regulated activities* specified in the fees table must pay:
 - (a) the fee specified for the *regulated activity* in the table (or, if the applicant intends to carry on more than 1 *regulated activity*, the highest fee specified in the table for any of those *regulated activities*); and
 - (b) US \$500 for each individual for whom *approved individual* status is sought.

Guidance

- 1 These fees relate only to the *applicant's* initial application.
 - 2 No separate application fee is payable for registration with the *CRO* or for the grant of a *licence* by the *QFC Authority*.
- (2) However, if an individual for whom *approved individual* status is sought is from a captive insurance manager (within the meaning given by CAPI, rule 1.2.7), and is already approved to carry on the relevant *controlled function*, no additional fee is payable for his or her approval.

A4.2.2 An *Authorised Firm* submitting applications on behalf of additional individuals seeking *Approved Individual* status must pay an application fee of \$500 in respect of each additional *Approved Individual* application.

A4.3 Applications to Conduct Additional Regulated Activities

A4.3.1 An *Authorised Firm* seeking *Authorisation* to conduct additional *Regulated Activities* specified must pay a fee equal to the difference between:

- (A) the basic fee which would be payable under Rule A4.2.1(A) if it were an *Applicant Firm* seeking *Authorisation* to conduct the *Regulated Activities* in the terms of the *Authorisation* sought; and

- (B) the basic fee which would be payable under Rule A4.2.1(A) if it were an *Applicant Firm* seeking *Authorisation* to conduct the *Regulated Activities* in the terms of the *Authorisation* currently held.

A4.4 Annual Fees

Initial Annual Fee

- A4.4.1** (1) An *Authorised Firm* must pay to the *Regulatory Authority* an initial annual fee for the initial period of regulation after the grant of *Authorised Firm* status.
- (2) The initial annual fee is calculated as the fee which was payable at the time of application for *Authorisation*, pro-rated over the whole months remaining between the date of *Authorisation* and the end of the year.

Subsequent Annual Fees

- A4.4.2** (1) An *Authorised Firm* must pay to the *Regulatory Authority* a standard annual fee for any period of regulation after the period described in Rule A4.4.1.
- (2) The standard annual fee is:
- (A) the highest of the fees specified in the fees table corresponding to the *Regulated Activities* which the *Authorised Firm* is authorised to carry on; plus
- (B) US\$500 for each *Approved Individual* employed by the *Authorised Firm* at 30 September in the previous year, or on the date of the grant of *Authorisation*, whichever is the later.

Provision of Extracts of Information from the Registers of Public Information

- A4.4.3** In accordance with Rule 10.6.1, *Persons* must upon application for extracts of information from the registers of public information maintained by the *Regulatory Authority*, whether relating to either an *Authorised Firm* or an *Approved Individual*, pay to the *Regulatory Authority* the prescribed fee of US\$50 for each specific information request.

Endnotes

1 Abbreviation key

a	=	after	ins	=	inserted/added
am	=	amended	om	=	omitted/repealed
amdt	=	amendment	orig	=	original
app	=	appendix	par	=	paragraph/subparagraph
art	=	article	prev	=	previously
att	=	attachment	pt	=	part
b	=	before	r	=	rule/subrule
ch	=	chapter	renum	=	renumbered
def	=	definition	reloc	=	relocated
div	=	division	s	=	section
g	=	guidance	sch	=	schedule
glos	=	glossary	sdiv	=	subdivision
hdg	=	heading	sub	=	substituted

2 Rulebook history

General Rulebook (GENE)

made by

General Rulebook Rule Making Instrument No. 8, 2005 (RM8/2005)

Made 5 December 2005

Commenced 5 December 2005

Version No. 1

as amended by

Conduct of Business Rulebook Rule Making Instrument 2007 (RM2007/01 att D)

Made 28 June 2007

Commenced 1 July 2007

Version No. 2

Collective Investment Funds Rulebook Rule Making Instrument 2007 (RM2007/02 att C)

Made 28 June 2007

Commenced 15 July 2007

Version No. 3

General (Fees) Amendment Rules 2007 (RM2007/03 att A)

Made 5 September 2007

Commenced 1 October 2007

Version No. 4

Rulebooks (Miscellaneous Amendments) Rules 2008 (RM2008/01 sch 1, pt 1.4 and sch 2, pt 2.6)

Made 30 March 2008

Commenced 7 April 2008

Version No. 5

Rulebooks (Miscellaneous Amendments) Rules 2008 (No 2) (RM2008/02 sch 1, pt 1.3 and sch 2, pt 2.3)

Made 21 September 2008

Commenced 1 October 2008

Version No. 6

Miscellaneous Amendments Rules 2009 (QFCRA Rules 2009-2 sch 1, pt 1.6 and sch 2, pt 2.3)

Made 6 December 2009

Commenced 6 December 2009

Version No. 7

Miscellaneous Amendments Rules 2010 (QFCRA Rules 2010-1 sch 2, pt 2.4)

Made 3 February 2010

Commenced 3 March 2010

Version No. 8

Anti-Money Laundering (Repeal and Amendment) Rules 2010 (QFCRA Rules 2010-3 sch 1, pt 1.3)

Made 15 April 2010

Commenced 30 April 2010

Version No. 9

Miscellaneous Amendments Rules 2010 (No 2) (QFCRA Rules 2010-4 sch 1, pt 1.5 and sch 2, pt 2.6)

Made 19 September 2010

r 1 to 4 commenced 19 September 2010

sch 1, pt 1.5 and sch 2, pt 2.6 commenced 1 October 2010

Version No. 10

Asset Management (Repeal and Amendment) Rules 2010 (QFCRA Rules 2010-7 sch 1, pt 1.4)

Made 5 December 2010

Commenced 1 January 2011

Version No. 11

Captive Insurance Business (Consequential Amendments) Rules 2011 (QFCRA Rules 2011-2 sch 1, pt 1.3)

and

Insurance Mediation Business (Consequential Amendments) Rules 2011 (QFCRA Rules 2011-4 sch 1, pt 1.5)

Made 20 June 2011

Commenced 1 July 2011

Version No. 12

Training, Competency and Miscellaneous Amendments Rules 2011 (QFCRA Rules 2011-5 sch1, pt 1.1 and sch 2, pt 2.3)

Made 4 December 2011

Commenced 1 January 2012

Version No. 13

3 Amendment history

Application

ch 1hdg om Rules 2010-4

Application

s1.1hdg om Rules 2010-4

r 1.1.1 om Rules 2010-4

r 2.4.1 am RM2008/01

General provisions

ch 1 ins Rules 2011-5

Applicant for authorisation must be incorporated etc in QFC

r 2.4.2 am RM2008/01
sub Rules 2010-4

Restrictions on Client Money and Insurance Money

s 2.5 om Rules 2011-4

Communication with the Regulatory Authority

s 3.2hdg om Rules 2010-4

s 3.2 om Rules 2010-4

Notice of certain events required

ch 4hdg sub Rules 2010-4

Application and Purpose

s 4.1hdg om Rules 2010-4

Notice of changes in certain core details

r 4.1.1 (orig r 4.1.1) sub Rules 2009-2
om Rules 2010-4
(prev r 4.3.1) sub Rules 2009-2
am Rules 2010-4
renum as r 4.1.1 Rules 2010-4

Notice of establishing or closing of branch office by local firm

r 4.1.2 (prev r 4.3.2) sub Rules 2009-2
renum as r 4.1.2 Rules 2010-4

Notice of certain significant events

r 4.1.3 (prev r 4.4.1) am Rules 2009-2
renum as r 4.3.3 Rules 2009-2
am Rules 2010-4
renum as r 4.1.3 Rules 2010-4

Notice of events relating to fraud etc

r 4.1.4 (prev r 4.5.1) am Rules 2009-2
renum as r 4.3.4 Rules 2009-2
am Rules 2010-4
renum as r 4.1.4 Rules 2010-4

Notice of certain events involving other regulators

r 4.1.5 (prev r 4.6.1) sub Rules 2009-2
renum as r 4.3.5 Rules 2009-2
am Rules 2010-4
renum as r 4.1.5 Rules 2010-4

Notice of certain action against authorised firm

r 4.1.6 (prev r 4.7.1) sub Rules 2009-2
renum as r 4.3.6 Rules 2009-2
am Rules 2010-4
renum as r 4.1.6 Rules 2010-4

Notice of certain insolvency-related events

r 4.1.7 (prev r 4.8.1) sub Rules 2009-2
renum as r 4.3.7 Rules 2009-2
am Rules 2010-4
renum as r 4.1.7 Rules 2010-4

Provision of Notifications

- s 4.2hdg om Rules 2010-4
- r 4.2.1 om Rules 2010-4
- r 4.2.2 om Rules 2010-4
- r 4.2.3 om Rules 2010-4
- r 4.2.4 ins RM2007/02
om Rules 2010-4

Notice of certain events required

- s 4.3hdg sub Rules 2009-2
om Rules 2010-4

Notice of changes in certain core details

- r 4.3.1 renum as r 4.1.1

Notice of establishing or closing of branch office by local firm

- r 4.3.2 renum as r 4.1.2

Notice of certain significant events

- r 4.3.3 (prev r 4.4.1) renum as r 4.1.3

Notice of events relating to fraud etc

- r 4.3.4 (prev r 4.5.1) renum as r 4.1.4

Notice of certain events involving other regulators

- r 4.3.5 (prev r 4.6.1) renum as r 4.1.5

Notice of certain action against authorised firm

- r 4.3.6 (prev r 4.7.1) renum as r 4.1.6

Notice of certain insolvency-related events

- r 4.3.7 (prev r 4.8.1) renum as r 4.1.7

Significant Events

- s 4.4hdg om Rules 2009-2
- r 4.4.1 renum as r 4.3.3 and then as r 4.1.3

Fraud and Errors

- s 4.5hdg om Rules 2009-2
- r 4.5.1 renum as r 4.3.4 and then as r 4.1.4

Other Regulators

s 4.6hdg om Rules 2009-2

r 4.6.1 renum as r 4.3.5 and then as r 4.1.5

Action against an Authorised Firm

s 4.7hdg om Rules 2009-2

r 4.7.1 renum as r 4.3.6 and then as r 4.1.6

Winding up, Bankruptcy and Insolvency

s 4.8 om Rules 2009-2

r 4.8.1 renum as r 4.3.7 and then as r 4.1.7

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s 5.1hdg sub Rules 2010-4

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r 5.1.1 am Rules 2009-2
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r 5.1.3 ins Rules 2010-4

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r 5.1.4 ins Rules 2010-4

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r 5.1.5 ins Rules 2010-4

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s 5.2hdg sub Rules 2010-4

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r 5.2.1 am RM2008/01

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r 5.2.2 sub Rules 2010-4

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s 5.3hdg om Rules 2009-2
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r 5.3.1 ins Rules 2010-4

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r 5.3.2 ins Rules 2010-4

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r 5.3.3 ins Rules 2010-4

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r 5.3.4 ins Rules 2010-4

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s 5.4hdg ins Rules 2010-4

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r 5.4.1 ins Rules 2010-4

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ch 5A ins Rules 2011-5

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s 6.1hdg sub Rules 2010-4

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r 6.1.1 am Rules 2009-2; Rules 2010-1; Rules 2010-4

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r 6.2.1 am Rules 2010-1

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r 6.2.2 am Rules 2010-1

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r 6.2.3 am Rules 2010-4

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r 6.2.4 am Rules 2010-4

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r 6.2.5 am Rules 2010-1

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r 6.2.6 am Rules 2010-1

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s 6.3hdg om Rules 2009-2

s 6.3g om Rules 2009-2

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r 7.1.1 (orig r 7.1.1) om Rules 2010-4
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renum as r 7.1.1 Rules 2010-4

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r 7.1.2 (orig r 7.1.2) am Rules 2009-4
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renum as r 7.1.2 Rules 2010-4

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r 7.1.3 (orig r 7.1.3) om Rules 2010-4
(prev r 7.6.1) sub Rules 2009-4
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renum as r 7.1.3 Rules 2010-4

s 7.2hdg om Rules 2010-4

r 7.2.1 om Rules 2010-4

r 7.2.2 am RM2008/01
om Rules 2010-4

r 7.2.3 om Rules 2010-4

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r 7.2.4 renum as r 7.1.2

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s 7.3hdg om Rules 2010-4

s 7.3g om Rules 2010-4

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s 7.4hdg om Rules 2010-4

s 7.4 material om Rules 2010-4

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s 7.5hdg om Rules 2010-4

s 7.5g om Rules 2010-4

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s 7.6hdg sub Rules 2009-2
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r 7.6.1 renum as r 7.1.3

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s 7.7hdg om Rules 2010-4

s 7.7 material om Rules 2010-4

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s 7.8hdg om Rules 2010-4

s 7.8 material om Rules 2010-4

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s 7.9hdg om Rules 2009-2

- s 7.9g om Rules 2009-2
- r 8.3.3 am Rules 2009-2; Rules 2010-4
- r 8.4.1 am RM2008/01
om Rules 2010-4
- r 8.4.2 am RM2008/01
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- r 8.4.3 om Rules 2010-4
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- r 8.4.6 om Rules 2010-4

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- r 8.4.7 sub Rules 2009-2
am Rules 2010-4
- r 8.6.1 am Rules 2009-2
- r 9.1.1 am RM2008/01
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- r 9.4.1 am RM2008/01; Rules 2009-2

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- s 9.5hdg sub RM2008/01; Rules 2011-4

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- r 9.5.1 am RM2008/01; Rules 2011-4

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- r 9.5.2 ins Rules 2011-4

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- r 9.5.3 ins Rules 2011-4

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s 9.7hdg sub Rules 2009-2

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r 9.7.1 sub Rules 2009-2

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r 9.7.2 sub Rules 2009-2

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r 9.7.3 am RM2008/01; RM2008/02

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r 9.7.4 sub Rules 2009-2

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r 9.7.5 ins Rules 2009-2

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r 9.7.6 ins Rules 2009-2

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s 11.1hdg om Rules 2010-4

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r 11.1.1 (prev r 11.2.1) am Rules 2009-2; Rules 2010-4

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r 11.1.2 (prev r 11.3.1) am RM 2007/01; Rules 2010-4
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r 11.2.1 renum as r 11.1.1

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s 11.3hdg om Rules 2010-4

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s A1.2g am Rules 2010-3

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app 2hdg om Rules 2009-2

s A2.1 sub RM2008/01
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s A3.1g am RM2007/01
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s A3.1tables am RM2007/01; RM2008/01
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am Rules 2010-4; Rules 2010-7; Rules 2011-4; Rules 2011-5

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r A4.1.2 renum as r A4.2.1

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r A4.2.1 (prev r A4.1.2) renum as r A4.2.1 RM2008/01
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