



AIFC FEES RULES

(FEES)

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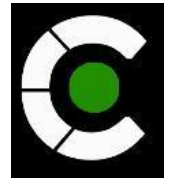
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Guidance: Purpose of this rulebook

The purpose of this rulebook, “FEES”, is to set out the framework for entities to pay fees in order to apply to operate within the jurisdiction of the AIFC and, in some cases, they may pay annual supervision fees to continue operating in this way. In addition, where such entities fail to comply with legal and regulatory requirements, they may also be liable to pay a fine as set out in FEES.



1. APPLICATION FEES PAYABLE TO THE AFSA

1.1. Application

This Chapter applies to:

- (a) an Authorised Firm, or a Person applying for Authorised Firm status;
- (b) an Authorised Market Institution, or a Person applying for Authorised Market Institution status;
- (c) an Ancillary Service Provider, or a Person applying for Ancillary Service Provider status; and
- (d) a Recognised Non-AIFC Market Institution or Recognised Non-AIFC Member, or a Person applying for Recognised Non-AIFC Market Institution or Recognised Non-AIFC Member status.

Guidance

FEES 1 deals only with application fees for the AFSA. Centre Participants may also be required to pay application fees to the Registrar of Companies under the Companies Regulations as specified in FEES 2.

1.2. Application fees

1.2.1. Application fees payable to the AFSA in respect of Regulated Activities

An applicant seeking to conduct Regulated Activities or an Authorised Firm applying to modify or withdraw a Licence to carry on Regulated Activities must pay to the AFSA:

- (a) the application fees specified in Schedule 1; and
- (b) any supplementary fee required by the AFSA in accordance with FEES 6.

1.2.2. Application fees payable to the AFSA in respect of Market Activities

An applicant seeking to conduct Market Activities in or from the AIFC or an Authorised Firm applying to modify or withdraw a Licence to carry on Market Activities must pay to the AFSA:

- (a) the application fees specified in Schedule 2; and
- (b) any supplementary fee required by the AFSA in accordance with FEES 6.



1.2.3. Application fees payable to the AFSA in respect of Ancillary Services

An applicant seeking to carry on one or more Ancillary Services or an Authorised Firm applying to modify or withdraw a Licence to carry on Ancillary Services, must pay to the AFSA:

- (a) the application fees specified in Schedule 3; and
- (b) any supplementary fee required by the AFSA in accordance with FEES 6.

Guidance

REC 1.1.1 states that a Person that operates an investment exchange or clearing house outside the AIFC may apply to the AFSA to become a Recognised Non-AIFC Market Institution by providing specified information and records, and by paying the fee prescribed in FEES.

REC 2.1.1 states that a Person located in a jurisdiction other than the AIFC may apply to the AFSA to become a Recognised Non-AIFC Member by completing an application, providing information required, and by paying the fee prescribed in FEES.

1.2.4. Application fees payable in respect of a Recognised Non-AIFC Market Institution or Recognised Non-AIFC Member

An applicant seeking recognition as a Recognised Non-AIFC Market Institution or Recognised Non-AIFC Member must pay:

- (a) the application fees specified in Schedule 4; and
- (b) any supplementary fee required by the AFSA in accordance with FEES 6.

1.3. Approved Individuals

Fees are payable in respect of any application for an Approved Individual as specified in Schedules 1, 2, 3 or 4, depending on the nature of the entity on whose behalf the Approved Individual is acting.

1.4. Non-refundable nature of application fees

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.



2. APPLICATION AND OTHER FEES PAYABLE TO THE REGISTRAR OF COMPANIES

2.1. Application

2.1.1. Application fees payable to the Registrar of Companies in respect of a Company or Partnership

An applicant seeking to register or have recognised a legal entity and/or receive a Commercial Licence or renew a Commercial Licence must pay to the Registrar of Companies the application fees specified in Schedule 5.

Guidance

The fee specified in relation to each matter above is payable to the Registrar of Companies on the registration of the documents so delivered.

The fee for the Commercial Licence will be paid to the Registrar of Companies in the same manner and at the same time that the application fee for incorporate is paid.

2.1.2. Application fees payable to the Registrar of Companies in respect of a Foreign Company

An applicant on behalf of a Foreign Company seeking recognition as a Recognised Company in order to carry on business in the AIFC and applying for a Certificate of Recognition and a Commercial Licence or a renewal of a Commercial Licence, must pay to the Registrar of Companies the application fees specified in Schedule 5.

Guidance

The fee specified in relation to each matter above is payable to the Registrar of Companies on the registration of the documents so delivered.

2.2. Non-refundable nature of application fees

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.



2.3. Filing fee for annual return

2.3.1. Fee payable to the Registrar of Companies in respect of filing an annual return.

When an annual return is filed under the Companies Regulations, it must be accompanied by the filing fee prescribed by the Registrar from time to time.

Guidance

Section 26(2) of the Companies Regulations specifies that a company's annual return must be accompanied by the filing fee prescribed by the Registrar of Companies from time to time.



3. ANNUAL SUPERVISION FEES PAYABLE TO THE AFSA

3.1.1. What annual supervision fees must be paid

An Authorised Firm, Authorised Market Institution, Ancillary Service Provider, Recognised Non-AIFC Market Institution or Recognised Non-AIFC Member must pay to the AFSA:

- (a) the annual supervision fee specified in Schedule 6; and
- (b) any supplementary fee required by the AFSA.

3.1.2. When annual supervision fees must be paid – initial annual fee

The initial annual supervision fee must be paid in full to the AFSA within 21 days of the date of authorisation.

3.1.3. When annual supervision fees must be paid– subsequent annual fee

Subsequent annual supervision fees must be paid in full to the AFSA on or before 1 January of every calendar year.

3.1.4. Initial annual supervision fee

- (a) An initial annual supervision fee must be paid for the initial period of regulation after the grant of licensed status.
- (b) The initial annual supervision 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.

3.1.5. Subsequent annual supervision fees

- (a) A standard annual supervision fee must be paid for any period of regulation after the period described in FEES 4.1.4.
- (b) The standard annual supervision fee is:
 - (i) the highest of the fees specified in the fees table corresponding to the activities which the relevant entity is licensed to carry on; and



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- (ii) an amount as may be determined by the AFSA for each Approved Individual employed by the relevant entity at 30 September in the previous year, or on the date of the grant of authorisation, whichever is the later.



4. FEES FOR EXTRACTS OF INFORMATION

4.1. Fee for extracts from information held by the Registrar of Companies

4.1.1. General requirement

Persons seeking extracts of information or other documentation held by the Registrar of Companies in relation to a Centre Participant or Approved Individual may be required, upon application, to pay a prescribed fee for each specific information request.

4.1.2. Charges to be specified

The Registrar of Companies may determine the amount of the fee specified in FEES 4.1.1 at a later date.

Guidance

Section 189(3)(b) of the Companies Regulations specifies that the Registrar of Companies may charge a fee for the inspection of documents or other material held by the Registrar under the Companies Regulations, the Rules or any other Legislation administered by the Registrar.

Section 7(2)(c) of the Rules on Registration and Recognition of the AIFC Participants states that the Registrar's powers include, upon application and payment of a prescribed fee, producing a certificate of incorporation of a Private Company or a certificate of recognition of a Recognised Company, the Commercial Licences or any document filed with the Registrar of Companies.

4.2. Fee for extracts from information held by the AFSA

4.2.1. General requirement

Persons seeking extracts of information maintained in the public registers by the AFSA in relation to a Centre Participant or Approved Individual may be required, upon application, to pay a prescribed fee for each specific information request.

4.2.2. Charges to be specified

The AFSA may determine the amount of the fee specified in FEES 4.2.1 at a later date.



5. GENERAL PROVISIONS

5.1.1. Application not regarded as submitted until fee paid

Where a fee is payable for any application to the AFSA or the Registrar of Companies, the application may not be regarded by the AFSA or the Registrar of Companies as submitted, and therefore ready to be reviewed, until the fee has been paid in full.

5.1.2. Increase of sum due if fee not paid

Where an annual fee or supplementary fee in relation to ongoing supervision is due from a Person under a provision of these rules, it must be paid by the date upon which it falls due. Should a Person fail to pay by the due date then, without limiting the right of the AFSA 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.

5.1.3. Power of the AFSA and Registrar of Companies to reduce or waive fees

The AFSA or Registrar of Companies 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.



6. SUPPLEMENTARY FEES

6.1.1. AFSA may require supplementary fees in certain cases

The AFSA may require an Authorised Firm or applicant to pay a supplementary fee to the AFSA in circumstances where it expects to incur substantial additional costs in dealing with an application or conducting ongoing supervision.

In such cases the AFSA will notify the applicant as soon as reasonably practicable that a supplementary fee is likely to be required, in order that the applicant may make an informed decision as to whether to withdraw or modify its application.

If a supplementary fee is required, the AFSA will notify the client as soon as reasonably practicable of the amount of the supplementary fee. The applicant must pay the supplementary fee within the period specified in the notification.



7. FINES PAYABLE TO THE AFSA AND COMPANIES REGISTRAR

7.1. Fines for failure to provide notification, report or return

7.1.1. General

FEES 7.1 applies if a Person breaches any Rule by failing to provide a notification, report or return (however described) to the AFSA as, or within the time within which, that rule requires it to be provided.

7.1.2. Nature of failure to provide a notification, report, or return

Without limiting FEES 7.1.3 and, to remove any doubt, FEES 7.1 applies to a failure to provide a notification, report, or return (however described) to the AFSA as, or within the time within which, it was required to be provided, if:

- (a) the notification, report or return was not received (or considered to have been received) by the AFSA within that time; or
- (b) the notification, report or return was received by the AFSA within that time, but:
 - (i) it was incomplete or inaccurate in a material respect;
 - (ii) if under any regulations or rules it was required to be in a particular form, it was not in substantially that form;
 - (iii) 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
 - (iv) 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.

7.1.3. Fines payable to the AFSA

A Person falling within FEES 7.1 shall pay such fine to the AFSA as the AFSA may at its discretion determine.



7.2. Fines for breaches of the Companies Regulations

7.2.1. General

FEES 7.2 applies if the Registrar of Companies is satisfied that a Person has contravened the Companies Regulations, and contravention of the relevant provision is expressed to be punishable by a fine.

7.2.2. Fines payable to the Registrar of Companies

Subject to any amounts prescribed and/or limits on fees specified in the Companies Regulations, the Registrar of Companies may determine at its discretion the amount payable for a fine falling within FEES 7.2.

7.3. Fines for breaches of the AFSA Rules

7.3.1. General

If the AFSA is satisfied that a Person has contravened a provision in the AFSA Rules, that Person shall be liable to pay a fine.

7.3.2. Fines payable to the AFSA

Subject to any amounts prescribed and/or limits on fees specified in the AFSA Rules, the AFSA may determine at its discretion the amount payable for a fine falling within FEES 7.3.1.

7.4. Fines for failure to comply with direction issued by the AFSA

7.4.1. General

FEES 7.4 applies if an Authorised Person or Ancillary Service Provider fails to comply with a written requirement by the AFSA that specifies:

- (a) an action that the firm is to take; and
- (b) a date by which the action is to be taken.

7.4.2. Nature of failure to comply

For the purposes of FEES 7.4.1, an Authorised Person or Ancillary Service Provider fails to comply with such a requirement if the firm:



- (a) does not take the specified action by the specified date; or
- (b) purports to take the action but does so in a way that the authority regards as inadequate.

7.4.3. Fines payable to the AFSA

Subject to any amounts prescribed and/or limits on fees specified in the AFSA Rules, the AFSA may determine at its discretion the amount payable for a fine falling within FEES 7.4.



Schedule 1: APPLICATION FEES PAYABLE TO THE AFSA FOR REGULATED ACTIVITIES

1.1 Application fees for applying for Licence to carry on Regulated Activities

Application fees are determined by the activities the Authorised Firm conducts or intends to conduct, as set out below:

Application fee by activities	Fee (USD)
Operating a Representative Office	3000
Managing a Collective Investment Scheme	5000
Arranging Custody	5000
Providing Fund Administration	5000
Advising on Investments	5000
Arranging Deals in Investments	5000
Insurance Intermediation	5000
Managing Investments	5000
Providing Custody	5000
Providing Trust Services	5000
Acting as the Trustee of a Fund	5000
Dealing in Investments as Agent	10 000
Dealing in Investments as Principal	10 000
Managing a Restricted Profit Sharing Investment Account	10 000
Islamic Banking Business	15 000
Providing Islamic Financing	10 000
Accepting Deposits	15 000
Providing Credit	10 000
Advising on a Credit Facility	5000
Arranging a Credit Facility	5000
Providing Money Services	5000
Conducting Insurance Business	10 000
Conducting Takaful Business	10 000
Conducting Captive Insurance Business through a Protected Cell Company	5000 plus 1000 for each cell
Conducting Captive Insurance Business other than through a Protected Cell Company	5000
Conducting Captive Takaful Business through a Protected Cell Company	5000 plus 1000 for each cell
Conducting Captive Takaful Business other than through a Protected Cell Company	5000
Providing Insurance Management	5000



1.2 Application fees for modification or withdrawal of a Licence or Approved Individual's registration

Application to Modify or Withdraw	Fee (USD)
Modification or withdrawal of an Authorised Firm's Licence	At present, the AFSA does not intend to charge an application fee for these activities. Any such application fee shall be determined by the AFSA at a later date.
Modification or withdrawal of an Approved Individual's registration	

Notes

Fees for initial application—firm to conduct one or more Regulated Activities

An applicant seeking authorisation to conduct one or more Regulated Activities specified in the fees table must pay:

- (a) the fee specified for the Regulated Activity in the table above (or, if the applicant intends to carry on more than one Regulated Activity, the highest fee specified in the table for any of those Regulated Activities); and
- (b) an amount, **which shall be specified by the AFSA at a later date**, for each individual for whom Approved Individual status is sought.

Application fee for Approval of Individuals

An Authorised Firm submitting applications on behalf of additional individuals seeking Approved Individual status must pay an application fee in respect of each additional Approved Individual application. **At present, the AFSA does not intend to charge an application fee for these activities. Any such application fee shall be determined by the AFSA at a later date.**

Fees for application to modify or withdraw

An Authorised Firm or Approved Individual applying to the AFSA to change the scope of its Licence or Approved Individual status, to have a condition or restriction varied or withdrawn, or to have its Licence or Approved Individual status withdrawn, must pay the prescribed fee set out in the table above.



Schedule 2: APPLICATION FEES PAYABLE TO THE AFSA FOR MARKET ACTIVITIES

1.1 Application fees for applying for Licence to carry on Market Activities

Application fees are determined by the Market Activities the Authorised Firm conducts or intends to conduct, as set out below:

Application fee by Regulated Activities	Fee (USD)
Operator of a Clearing House	125 000
Operator of an Investment Exchange	125 000

1.2 Application fees for modification or withdrawal of a Licence or Approved Individual's registration

Application to Modify or Withdraw	Fee (USD)
Modification or withdrawal of an Authorised Market Institution's Licence	At present, the AFSA does not intend to charge an application fee for these activities. Any such application fee shall be determined by the AFSA at a later date.
Modification or withdrawal of an Approved Individual's registration	

Notes

Fees for initial application—firm to conduct one or more Market Activities

An applicant seeking authorisation to conduct one or more Market Activities specified in the fees table must pay:

- (a) the fee specified for the Market Activity in the table above (or, if the applicant intends to carry on more than one Market Activity, the highest fee specified in the table for any of those regulated activities); and
- (b) an amount, **which shall be specified by the AFSA at a later date**, for each individual for whom Approved Individual status is sought.

Application fee for Approval of Individuals

An Authorised Market Institution submitting applications on behalf of additional individuals seeking Approved Individual status must pay an application fee in respect of each additional Approved Individual application. **At present, the AFSA does not intend to charge an application fee for these activities. Any such application fee shall be determined by the AFSA at a later date.**



Fees for application to modify or withdraw

An Authorised Market Institution or Approved Individual applying to the AFSA to change the scope of its Licence or Approved Individual status, to have a condition or restriction varied or withdrawn, or to have its Licence or Approved Individual status withdrawn, must pay the prescribed fee set out in the table above.



Schedule 3: APPLICATION FEES PAYABLE TO THE AFSA FOR ANCILLARY SERVICES

1.1 Application fees for Ancillary Services

Activity	Fee (USD)
Providing Legal Services	2 000
Providing Audit Services	2 000
Providing Accountancy Services	2 000
Providing Consulting Services	2 000
Providing Credit Rating Services	2 000

Fees for applications to carry on Ancillary Services

An applicant seeking to carry on one or more Ancillary Services must pay to the AFSA the application fee set out in the table 1.1 above.

1.2 Fees for modification or withdrawal of a Licence

Application to Modify or Withdraw a Licence	Fee (USD)
Modification or withdrawal of an Ancillary Service Provider's Licence	At present, the AFSA does not intend to charge an application fee for these activities. Any such application fee shall be determined by the AFSA at a later date.

Applications to modify or withdraw an Authorised Firm's or Authorised Market Institution's Licence to carry on Regulated Activities

An Ancillary Service Provider applying to the AFSA to change the scope of its Licence, to have a condition or restriction varied or withdrawn, or to have its Licence withdrawn must pay the prescribed fee set out in the table at 1.2 above.



Schedule 4: APPLICATION FEES PAYABLE TO AFSA FOR RECOGNISED NON-AIFC MARKET INSTITUTION AND RECOGNISED NON-AIFC MEMBERS

1.1 Application fees for applying for Recognised Non-AIFC Market Institution and Recognised Non-AIFC Member status

Application fee	Fee (USD)
Recognised Non-AIFC Market Institution	2 000
Recognised Non-AIFC Member	2 000

Fees for applications for Recognised Non-AIFC Market Institution and Recognised Non-AIFC Member status

An applicant seeking to apply for Recognised Non-AIFC Market Institution and Recognised Non-AIFC Member status must pay to the AFSA the application fee set out in the table at 1.1 above.

1.2 Application fees for modification or withdrawal

Application to Modify or Withdraw	Fee (USD)
Modification or withdrawal of a Recognised Non-AIFC Market Institution status	At present, the AFSA does not intend to charge an application fee for these activities. Any such application fee shall be determined by the AFSA at a later date.
Modification or withdrawal of Recognised Non-AIFC Member status	

Fees for application to modify or withdraw

A Recognised Non-AIFC Market Institution or Recognised Non-AIFC Member applying to the AFSA to change the scope of its status, or to have its status withdrawn, must pay the prescribed fee set out in the table at 1.2 above.



Schedule 5: FEES PAYABLE TO THE REGISTRAR OF COMPANIES

An applicant seeking registration or recognition or a Commercial Licence must pay the following fees to the Registrar of Companies:

	Effecting the incorporation or recognition	Issuing a Commercial Licence	Renewing a Commercial Licence
Company Limited by Shares	100	100	100
Recognised Company	100	100	100
Partnerships	100	100	100
Recognised Partnership	100	100	100
Non-Profit Incorporated Organisations	100	100	100
Special Purpose Companies	100	100	100
Representative offices	100	100	100



Schedule 6: ANNUAL SUPERVISION FEES PAYABLE TO THE AFSA

At present, the AFSA does not intend to charge an annual supervision fee. Any such annual fee shall be determined by the AFSA at a later date.