

**DISCLAIMER:** This document is an example of the DFSA's ITL application form. It is intended for general information purposes only and is subject to change.

## ITL Application Form

### 1. Introduction

#### Important notes

1. This application must be submitted by every person applying for a Licence under section 7.2 of the General module (GEN) of the DFSA Rulebook to operate under the Innovation Testing Licence ("ITL") framework.
2. You should familiarise yourself with the DFSA Rulebook before completing this form. It is recommended you read the guidance contained in Chapter 13 of the GEN module on Facilitating Fintech Innovation to understand the DFSA's approach to businesses wishing to test Fintech in or from the DIFC.
3. All sections must be completed, where appropriate.
4. The form includes, where appropriate, relevant DFSA Rule references and defined terms. These references and terms should assist in framing the context of your answer and determining if the question is applicable. Defined terms are identified by the capitalisation of the initial letter of a word or phrase and are defined in the Glossary module (GLO) of the DFSA Rulebook.
5. Applicants are advised to retain a copy of the completed form and all relevant attachments for their records.
6. Upon completing this form, the applicant must complete and sign the declarations in section 12. This includes declarations that the applicant has made due enquiry, the information included in the form is complete and correct, and the applicant understands that it is an offence to provide the DFSA with any information which is false, misleading or deceptive or to conceal information where the concealment of such information is likely to mislead or deceive the DFSA.
7. When assessing the application, the DFSA may require the applicant to provide additional information.
8. At the same time as submitting this application to the DFSA, firms are reminded to engage with:
  - the DIFCA regarding premises and other matters;
  - the DIFCA Registrar of Companies to commence the incorporation/registration process (whichever is appropriate); and,
  - their chosen bank if a local i.e. UAE bank account is required.

## **2. Disclosure of information to the Dubai International Financial Centre Authority (DIFCA)**

The provision of certain information by the DFSA to the DIFCA under the following consent will assist the DIFCA in exercising its functions and powers. It is not mandatory to provide consent and should you not wish to provide consent, we ask that you consider keeping the DIFCA informed of the progress of your application.

- I consent
- I do not consent

to disclosure of the following information by the DFSA to DIFCA:

1. the fact of the filing of this application, together with the name of the applicant;
2. the fact (if applicable) that this application is still being reviewed by the DFSA; and

the outcome of this application. An outcome may include a decision by the DFSA to approve this application, in principle or otherwise, or to reject the application or the withdrawal of the application.

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### 3. Fit and Proper questionnaire

Please note:

- any reference to “Group” below means the applicant's entire Group, including (but not limited to) immediate Controllers and all intermediate firms right through to the ultimate Controllers. Applicants should not seek to limit the scope of the questions or their answers in any way. Please refer to the definition of Group in the Glossary (GLO) module of the DFSA Rulebook.
- any reference to “Controller” includes both corporate and non-corporate Controllers. Please refer to the definition of Controller in the GLO module.
- if the answer to any of the following questions is yes, please provide a detailed explanation in the provided text box.

3-1. Is the applicant or any member of the applicant's Group aware (whether formally or informally) that the applicant is the subject of a current or pending investigation, review or disciplinary procedures by any regulatory authority, professional body, Financial Services Regulator, self-regulatory organisation, Authorised Market Institution or regulated exchange or clearing house, government body or agency or any other officially appointed inquiry?

- Yes
- No

**Have any of the Controllers, shareholders, other members of the applicant's Group or Close Links in the last 10 years:**

3-2. been convicted or found guilty by any court of a competent jurisdiction of any offence?

- Yes
- No

3-3. been the subject of disciplinary procedures by a government body or agency or any self-regulatory organisation or other professional body?

- Yes
- No

3-4. contravened 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, Financial Services Regulator, Authorised Market Institution or regulated exchange or clearing house?

- Yes
- No

**3-5. 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?**

- Yes
- No

**3-6. been the subject of an 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 in excess of \$10,000 or awards that total more than \$10,000?**

- Yes
- No

**3-7. been censured, disciplined, criticised or the subject of a court order at the instigation of any regulatory authority, or any officially appointed inquiry, or any Financial Services Regulator whether publicly or privately?**

- Yes
- No

**3-8. received a warning (whether public or private) that enforcement action may be taken against the firm by the DFSA or a Financial Services Regulator?**

- Yes
- No

**3-9. withdrawn (or been requested to withdraw) an application to any Financial Services Regulator or regulatory authority in the course of an authorisation or licencing process?**

- Yes
- No

**Other relevant information:**

**3-10. Is there any other information that the applicant would like to disclose that may be relevant to the DFSA's assessment of the applicant's fitness and propriety?**

- Yes
- No

## 4. Regulatory Test Plan

4-1. Please provide a detailed description of your proposed business activity and innovative Fintech product or service

4-2. Which of the following types of institutions, if any, will you be working with to provide your services?

- Custodian
- Bank
- Broker
- Other

4-3. What is the expected testing period?

- 6 months
- 12 months

4-4. What are your test objectives?

4-5. Proposed parameters of testing during the ITL

- a. Number of Clients
- b. Number of transactions
- c. Volume of transactions
- d. Currency to be used in transactions

4-6. How many Clients does the applicant expect to have during the testing period?

*Please refer to COB Module for the different type of Clients*

- a. Professional Clients
- b. Professional Clients classified as Market Counterparties
- c. Retail Clients

4-7. What is your target market? (please note that for the duration of the ITL you are restricted to only UAE residents)

- DIFC
- UAE excluding DIFC
- GCC
- MENA
- Rest of the World

**4-8. The applicant obtains its Clients through which of the following sources**

- A transferal of existing Group Clients currently served in another jurisdiction
- Previous employments/relationships
- Marketing activities
- Referrals from other entities via a mandate
- Family and friends
- Other

**4-9. How will you ensure that Clients understand the Fintech product or service you are offering is in a test environment and the resulting risks?**

- Disclose it on the platform
- Discuss in person
- Embedded in the terms and conditions
- Other

**4-10. Please confirm that**

- Records will be kept in accordance with [GEN Rules 5.3.24 to 5.3.27](#)

**4-11. Describe key milestones for your proposed test/s. (Include commercial, operational, and regulatory milestones) Please also describe how testing progress will be reported to the DFSA.**

**4-12. Describe the key risks faced by your business and ways to mitigate these risks including, but not limited to, the following**

- a. Money laundering risks
- b. Operational risks (cyber security, technology failure, data protection, etc.); and
- c. Other specific business risks

**4-13. Describe your complaints handling procedure. Please refer to [GEN chapter 9](#)**

**4-14. Describe your compliance framework (including Client on boarding and verification).**

**4-15. Describe your AML framework. Please refer to the [AML Rule Book](#)**

**4-16. How will you measure that the test has been successful?**

**4-17. Please note below who will be your main business competitors in this region.**

**4-18. Describe in detail your exit plan if the test is unsuccessful and the firm ceases operations. Please include how you will fulfil obligations to testing Clients.**

**4-19. Describe the next steps if the test is successful and your strategy to deploy the proposal in the broader market after the ITL.**

**4-20. Attach the following documents (draft format is acceptable)**

- a. Client agreement / T&C
- b. Flow chart for the business

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## 5. Standing Data

### Information about the legal status of the applicant

5-1. Are you applying as a start-up entity?

5-1a. Are you applying as a DIFC entity or non-DIFC entity?

5-2. What type of entity is the applicant? *Please refer to [GEN Rule 7.2.2](#)*

5-3. Trading names (if different from legal name) of applicant firm. For permissible company and trading names for entities established in the DIFC, please see [Chapter 10 of the RPP Sourcebook](#).

5-4. Country of incorporation of head office or Parent.

5-5. Date of incorporation of head-office or Parent.

5-6. Please upload board minutes or shareholders agreement approving the establishment of a DIFC entity.

5-7. Please upload the following:

#### Non-DIFC entities.

- Please upload the Parent company's latest audited financial statements and certificate of incorporation.

#### DIFC entities.

- for corporate Controllers of the applicant – most recent audited financial statements and certificate(s) of incorporation;
- if the applicant is a member of a group, the latest group consolidated audited financial statements; and
- for non-corporate Controllers – full details of origin and source of funds, with supporting evidence.

### Information about the applicant's regulators

5-8. Please provide details of the regulator of your Parent or your head office. Include regulator's contact details and address.

### Close Links

5-9. Does the applicant have any [Close Links](#) to any DIFC entities?

- Yes
- No



## Contact details

5-10. Applicant's contact person for all matters relating to this application i.e specific individual at firm, not an adviser.

5-11. Your parent/head office address

## Professional Adviser contact details

5-12. Is the firm using a professional adviser? If so please select the professional adviser from the list below or 'other' if the advisers details do not appear.

- Yes
- No

## General questions

5-13. Will your business be heavily dependent on bespoke IT systems?

- Yes
- No

5-14. Who is responsible for maintaining IT systems?

- Maintained in-house
- An outsourced provider

5-15. Is there a process in place to ensure regular systems maintenance

- Yes
- No

5-16. Who is responsible for overseeing cyber-security?

Please upload any supporting documents related to the management of IT. (If available)

## 6. Non-Financial Resources

### Staffing and recruitment

6-1. How many staff will be employed at the DIFC office during the test period? (You are required by UAE Federal Law to have a premises in the DIFC)

6-2. Please upload a proposed staff organisation chart.

6-3. Who will be responsible for the following Functions (A Separate form must be submitted by the applicant and individual applying to the DFSA for the individual to be an Authorised Individual)

- a. Senior Executive Officer
- b. Compliance Officer
- c. Money Laundering and Reporting Officer
- d. Finance Officer

Please tick the boxes below to confirm:

- 6-4. all staff involved with DIFC operations have been assessed fit & proper in accordance with GEN Rule 5.3.19.
- 6-5. all staff involved with DIFC operations have been assessed as competent and capable in accordance with GEN Rule 5.3.19.
- 6-6. all staff involved with DIFC operations will be appropriately trained, at point of licensing, in respect applicable legislation requirements in the DIFC including, but not limited to, DFSA rules.
- 6-7. the applicant has policies and a training plan to ensure all staff maintain their competency. *Please refer to GEN 4.2.4.*

### Outsourcing

6-8. Please tick the boxes below to indicate functions that have been outsourced:

- Compliance Officer
- Money Laundering Reporting Officer
- Finance Officer
- Risk management officer
- Internal audit
- Human resource management
- General accounting

6-9. Please confirm that by outsourcing key functions, the applicant understands and is in compliance with GEN Rule 5.3.21

## 7. Ownership Information

At the point of authorising a firm the DFSA needs to clearly understand the precise ownership of the applicant.

### 7-1. Shareholders/partners

Complete the table below with all shareholders/partners of the applicant.

- For individual shareholders/partners, please quote their name as it appears in their passport.
- For corporate shareholders/partners, please quote the corporate entities' registered or incorporated name.

If the applicant is a public listed company, note in row 1 and include the percentage of public listing.

Name	Percentage of holding-number (sum, must equal 100%)	Corporate	Individual	Please tick if individual is an Authorised Individual	Please tick if individual is an ultimate beneficial owner

### 7-2. Ownership structure

Please upload an “organogram” of the applicant's complete ownership structure. This applies to both DIFC firms and non-DIFC firms. If the structure includes any corporate entities, trust or similar vehicles, these should be fully explained. For trusts include full details of the beneficiaries and settlors.

The ownership structure should include, at a minimum, the information listed below.

- All shareholders (corporate and non-corporate) from immediate through to the ultimate beneficial owners (see question 7-3), showing all intervening companies (including non-operational companies);
- Each shareholder's percentage of ownership;
- All Controllers; and
- Any companies within the overall Group that are regulated noting the relevant jurisdiction/regulator.

### 7-3. Beneficial owners of the applicant

Complete the table below with all beneficial owners of the applicant.

A beneficial owner is the natural person(s) who ultimately owns the applicant, either directly or indirectly. This will include a situation where ownership is exercised through a chain of ownership. If the applicant is a public listed company, note in row 1 and include the percentage of public listing.

Name	Percentage of holding-number (sum, must equal 100%)	Date of birth	Nationality	Passport number

## Start Up entities - Initial Capital

The applicant must provide a detailed breakdown of origin of the the initial capital including percentages received from each source/contributor.

### 7-4. Natural persons contributing capital

Each natural person contributing capital is required to upload a declaration of net worth statement. This should specify the amount of their contribution with relevant supporting documents/evidence such as recent bank statements and salary letters in evidence of their sources of wealth.

### 7-5. Corporate entities contributing capital

Each corporate entity contributing capital is required to upload their most recent audited financial statements.

The DFSA may require applicants with a complex structure to separately submit additional information to identify all controllers and ultimate beneficial owners. This may incur additional fees as specified in [FER 2.1.1\(3\)](#).

## 8. Corporate Governance

### Chair of Board

8-1. Who will be the chairperson of the applicant's Board of Directors?

### Governing Body

8-2. Please provide details of Governing Body members

8-3. Do any of the directors have previous Financial Services experience?

- Yes
- No

8-4. Do any of the directors have previous DIFC experience?

- Yes
- No

8-5. Will the directors receive specific DIFC/DFSA training?

- Yes
- No

8-6. In the first 12 months after licensing, how frequent will the Governing Body meet (minimum quarterly)?

- Quarterly
- Bi Monthly
- Monthly
- Other

## 9. Financial Services Activities

9-1. Please select the Financial Services and relevant instruments the applicant requires.  
Refer to GEN Module

- Accepting Deposit
- Providing Credit
- Dealing in Investments as Principal
- Dealing in Investments as Agent
- Arranging Deals in Investments
- Managing Assets
- Advising on Financial Products
- Managing a Collective Investment Fund
- Providing Custody
- Arranging Custody
- Operating an Exchange
- Operating a Clearing House
- Insurance Intermediation
- Insurance Management
- Operating an Alternative Trading System
- Providing Trust Services
- Providing Fund Administration
- Acting as the Trustee of a Fund

- Operating a Credit Rating Agency
- Arranging Credit and Advising on Credit
- Operating a Crowdfunding Platform
- Providing Money Services

## Endorsements

**9-2. Will you carry on Financial Services with Retail Clients?** *Please refer to COB Module for definition of Retail Clients*

- Yes
- No

**9-3. Will you hold or control Client Assets or hold Insurance Monies?** *Please refer to COB 6.11; 6.12; 6.13; 7.12.*

- Yes
- No

**Please describe your procedures and systems and controls covering such matters as Client Assets, and reconciliation requirements.**

**9-4. Will you be conducting Islamic Financial Business?** *Please refer to GLO Module*

- Yes
- No

**In what manner will you be conducting the Islamic Financial Business**

- As an Islamic Financial Institution
- Through an Islamic Window

**Please attach a flowchart for each Transaction type that you intend to undertake identifying the underlying Shari'a compliant contract(s) that would apply to the Islamic products or services being offered. This should also include Clients, counterparties, Service Providers, the flow of funds, assets and confirmations.**

## 10. Prudential Information

10-1 Year 1 summary, please complete the tables below first USD (000's):

	Year 1	Year 2	Year 3
Total Income			
Total Expenses			
Net Profit (loss)			
Opening Balance Retained Earnings			
Dividend Paid			
Retained Profit for the Year			

10-2. Please explain what contingency plans you have in place in the event that income projections are not met

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## **11. Fess**

Once the DFSA has received a completed application, an invoice for the required fees will be sent to the individual noted as the main contact.

Please see the Fees module of the DFSA Rulebook for details on application fees and those to whom the DFSA can accept payments from.

Applicants with a complex control structure may incur additional fees as specified in [FER 2.1.1\(3\)](#).

Applications will not be processed until the relevant fee is paid in full.

Please do not forward any payments to the DFSA prior to receiving an invoice.

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## 12. Declarations

### Declarations to be made by the signatories

#### Signatory

Name:

Position:

Date reviewed:

- I declare that, to the best of my knowledge and belief, having made due enquiry, the information given in this form, the supplements and documents attached, as well as any applicable supporting documents, is complete and correct.
- I understand that it is an offence under Article 66 of the Regulatory Law 2004 to provide to the DFSA any information which is false, misleading or deceptive or to conceal information where the concealment of such information is likely to mislead or deceive the DFSA.
- For the purposes of complying with DIFC Data Protection Law 2007, I understand that any Personal Data provided to the DFSA will be used to discharge its regulatory functions under the Regulatory Law 2004 and other relevant legislation and may be disclosed to third parties for those purposes.
- I consent to the DFSA contacting any organisation to verify any of the information contained in this application
- I confirm that I have the authority to complete this application, to declare as specified above and sign this form for, or on behalf of, the applicant.