



## Application for a Retail Client Endorsement

### ***Financial Services Regulatory Authority (FSRA) Retail Client Endorsement (RCE) Form***

This multipurpose form must be submitted by an Authorised Person or an applicant firm wishing to add or remove an endorsement on its licence to carry on Regulated Activities with Retail Clients.

To assist you in completing this form we<sup>1</sup> occasionally make reference to various Rules, sections, or chapters of the various modules which make up the Abu Dhabi Global Market (ADGM) FSRA Rulebook. However, these references are provided only as a guide and are not an exhaustive list of the Rules in our Rulebook that may be applicable to your situation. It is your responsibility to research the Rulebook for any Rules that might be pertinent to your notification. The use of acronyms is to be avoided. If you do need to use acronyms then they must be defined.

Ensure that that you are using the latest published version of this application form. ADGM FSRA will only accept out-of-date forms if they are submitted within one-month of the latest versions available on our web site.

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<sup>1</sup> The terms “you” and “your” as used throughout are not implied in the personal sense, but rather refer to the firm applying for a waiver or modification. The terms “we” and “our” refer to the ADGM FSRA.



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# 1 General information about the applicant firm or the Authorised Person

1.1 Name of the applicant firm or of the Authorised Person:

[Insert text here]

1.2 ADGM FSRA license number (if an Authorised Person):

[Insert text here]

1.3 The applicant firm's or Authorised Person's application contact person:

[Insert text here]

1.4 Contact telephone number:

[Insert text here]

1.5 Contact e-mail address:

[Insert text here]

# 2 Form guidelines

ADGM will approve a Retail Client endorsement only if it is satisfied that the applicant has demonstrated that it has the ability to provide Regulated Activities to Retail Clients in conformity with the requirements set forth in the ADGM FSRA Rulebook.

When assessing an application for a Retail Client endorsement, ADGM FSRA will consider, among other things, the following:

2.1 The adequacy of an applicant's systems and controls for carrying on Regulated Activities with a Retail Client.

An applicant must also be able to demonstrate that its systems and controls (including policies and procedures) adequately provide for, among other things, compliance with the requirements specifically dealing with Retail Clients. In particular:

- Marketing materials intended for Retail Clients;
- Content requirements for Client Agreements for Retail Clients;
- Suitability assessment for recommending a financial product for a Retail Client;



- Disclosure of fees and commissions, and any inducements, to a Retail Client; and
- Segregation of Client Money and/or Client Assets, where relevant.

An applicant's systems and controls must be adequate to ensure that on an ongoing basis, its Employees remain competent and capable to perform the functions which are assigned to them, including any additional factors that may be relevant if their functions involve interfacing with Retail Clients.

## 2.2 The adequacy of the applicant's Complaints handling policies and procedures

An applicant must have Complaints handling policies and procedures that meet the requirements in ADGM FSRA GEN module, Rule 7.2 – *Complaints handling procedures for retail clients*. These require an Authorised Firm to have adequate written policies and procedures for the investigation and resolution of complaints made against it by a Retail Client, including any redress available to such a Client (e.g. compensation).

An applicant's policies and procedures must provide for fair, consistent and prompt handling of Complaints. In addition to the matters set out in ADGM FSRA GEN module, Rule 7.2, the policies and procedures should explicitly deal with how the applicant ensures that:

- Employees dealing with Complaints have adequate training and competencies to handle Complaints, as well as impartiality and sufficient authority (ADGM FSRA GEN module, Rule 7.2 – *Employees handling complaints*).
- The Retail Client is made aware of the firm's Complaints handling policies and procedures before obtaining its services (ADGM FSRA GEN module, Rule 7.2.11 – *Retail client awareness*); and
- The applicant's Complaints handling policies and procedures are freely available to any Retail Client upon request.



## 3 Addition of an endorsement on the authorised firm's licence

- 3.1 With respect to offering Regulated Activities to Retail Clients, describe any changes to the firm's regulatory business plan including any impact on the applicant's financial position and its regulatory capital requirements:

[Insert text here]

- 3.2 Describe to what extent existing policies and procedures, systems and controls, and customer documentation will be amended to take into account the new activities. This include

- Client classification
- AML
- Complaints handling
- Staffing
- Training of staff
- Marketing material
- Suitability
- Disclosure of fees and commissions, and
- Other inducements to Retail Clients, and segregation of Client Money and/or Client Assets:

[Insert text here]

- 3.3 Confirm that your client agreement has been modified to reflect appropriate changes (Retail Clients and/or Professional Clients):

[Insert text here]

## 4 Removal of an endorsement on the authorised firm's licence

- 4.1 With respect to the removal of the endorsement to provide Regulated Activities to Retail Clients, please advise of the impact on the applicant's financial position and its regulatory capital requirements:

[Insert text here]

- 4.2 Describe any arrangements that the applicant has made, or will make, concerning its existing Retail Clients, including obtaining any consents where required:

[Insert text here]



## 5 Submitting your notification to the ADGM

Once you are satisfied that this form and all other supporting forms and documents necessary for your completed application have been finalized, then arrange an application submission meeting with ADGM Financial Services Regulatory Authority.

At this meeting we will undertake a review of it to ensure that your submission appears to be materially complete so that we can begin our assessment of it.

This meeting can be arranged by calling Abu Dhabi Global Markets Financial Services Regulatory Authority, Authorisation Department, at +971 2 333 8548.

For your submission we will require hardcopies of one set of application forms, supplemental forms, and purpose-written, attachment documents, as well as the same on memory stick. If you are submitting published documents (for example, a corporate annual report), they are to be submitted on memory stick only.

If firms have already been established at the ADGM, please contact your case officer for submission.

Firms are advised to retain a copy of this form, any supplements, and all attachments for their records.



## 6 Declaration by the applicant

- 6.1 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 ADGM FSMR, Article 219 – *Misleading the Regulator* if you were to knowingly or recklessly provide to the ADGM FSRA 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 ADGM FSRA.
- 6.2 I declare my understanding that the ADGM FSRA may request more detailed information (including but not limited to, personal, educational, employment, and financial information) should it be deemed necessary to adequately assess the fitness and probity of the firm or any person connected to the firm. I consent to the ADGM FSRA contacting any previous employers, educational institutions, professional organisations or any other organisation, to verify any information contained in this form.
- 6.3 I confirm that I have the authority to make this application, to declare as specified above and sign this form for, or on behalf of, the applicant. I also confirm that I have the authority to give the consent specified above.
- 6.4 I understand that any personal data provided to the ADGM FSRA will be used to discharge its regulatory functions under the Abu Dhabi Law No. 4 of 2013 and other relevant legislation and may be disclosed to third parties for those purposes.

\_\_\_\_\_  
Signature of the Approved Person:

\_\_\_\_\_  
Date:

Printed name of the above signed individual above:

[Insert text here]

Position or title:

[Insert text here]