A Guide to the Application Process
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Disclaimer

The goal of the Qatar Financial Centre Regulatory Authority (Regulatory Authority) in producing this document is to provide Applicants with easy to understand information about the QFC, its structure, legislation and policies, including the authorisation, licensing and registration requirements.

The Regulatory Authority does not make any warranty or assume any legal liability for the accuracy or completeness of the information as it may apply to the particular circumstances of an individual or a firm. The information does not constitute legal advice and it is provided for information purposes only.

This guide to the application process should be read in conjunction with the Financial Services Regulations and the Regulatory Authority Rulebooks and other relevant material. This material may be amended from time to time.

Log on to www.qfcra.com to read the full text of the QFC Law, Regulations and Rules that apply in the QFC.

Terms that appear in italics throughout this document are defined in the Interpretation and Application Rulebook ("INAP") which is available through the Regulatory Authority website at www.qfcra.com.
Chapter 1
The Qatar Financial Centre

The Qatar Financial Centre ("QFC") is a financial and business centre established by the Government of Qatar and located in Doha. The QFC has been designed to attract international financial services institutions and major multi-national corporations and to encourage participation in the growing market for financial services in Qatar and elsewhere in the region. In particular, the QFC aims to establish Qatar as a vibrant hub for project finance and to provide an attractive environment for a wide range of related financial services activities in the Gulf region.

The QFC operates to international standards and provides a first class legal and business infrastructure for those doing business within the centre. The QFC’s commercial and regulatory environment and systems conform to international best practices and are separate from and independent of the host Qatari systems. The standards required and the legal environment will be familiar to businesses currently operating in major financial centres around the world.

The QFC is operated by the Qatar Financial Centre Authority ("QFCA"), which is responsible for the commercial strategy and business development of the centre and provides its administrative functions. Further information about the QFCA can be obtained from their website at www.qfc.com.qa. The regulatory framework has been developed by and is operated by the QFC Regulatory Authority (the "Regulatory Authority"). There is also a QFC Appeals Body that considers appeals arising from Regulatory Authority decisions, and a QFC Tribunal that administers and enforces the commercial laws of the QFC.

The Regulatory Authority, the Appeals Body and the Tribunal have been established so as to operate transparently, objectively and fairly. Their decision-making, financing and operations are structured to ensure appropriate and resilient independence, whilst being fully supported by the Government of Qatar.

Finally, there is a QFC Companies Registration Office ("CRO") which processes applications to incorporate limited liability companies ("LLCs") and limited liability partnerships (" LLPs") within the QFC or applications to register branches of overseas companies operating within the QFC.

Further details of the QFC legal and regulatory framework can be obtained from the Regulatory Authority website at www.qfcra.com.

Chapter 2
Permitted Activities in the QFC

The QFC Law prescribes a range of activities (termed “Permitted Activities") which may be conducted in or from the QFC. These activities are those most commonly recognised as constituting financial services or services found in support of financial services businesses, together with a number of related or corporate headquarters-type activities.

Within the range of Permitted Activities are two sub-classifications: Non-Regulated Activities which, as the name suggests, do not require extensive supervision, and Regulated Activities which are those financial services (such as banking, insurance or securities businesses) that require close and continuing scrutiny to ensure prudential soundness and the proper conduct of those businesses.

The conducting of any Permitted Activities in or from the QFC can only be carried on by entities with a legal presence in the QFC and legal presence can only be established by incorporating an LLC or LLP with the CRO, or by registering a branch of a non-QFC legal entity with the CRO.

Further, Permitted Activities can only be conducted if a Licence is granted for those activities by the QFCA. The licensing process is intended to ensure that only entities likely to contribute to the achievement of the QFC objectives are given the opportunity to operate within the QFC.

Finally, entities wanting to conduct Regulated Activities will also require Authorisation by the Regulatory Authority.
QFC Permitted Activities

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### Non-Regulated Activities

Generally, if a firm wishes to carry on one or more of the following *Non-Regulated Activities* in or from the QFC, it must hold a certificate of incorporation or registration issued by the CRO and must be *Licensed* by the QFCA (refer to Chapter 3):

1. the business of ship broking and shipping agents;
2. the business of provision of classification services and investment grading and other grading services;
3. business activities of company headquarters, management offices and treasury operations and other related functions for all kinds of business, and the administration of companies generally;
4. the business of providing professional services including but not limited to audit, accounting, tax, consulting and legal services;
5. business activities of holding companies, and the provision, formation, operation and administration of trusts and similar arrangements of all kinds; and
6. the business of provision, formation, operation and administration of companies.

### Regulated Activities

*Regulated Activities* are defined in the QFC Financial Services Regulations ("FSR"), which sets out the framework for the regulation of the financial services sector operating from the QFC.

Generally, if a firm wishes to carry on one or more of the following *Regulated Activities*, the firm must obtain *Authorisation* from the Regulatory Authority in addition to holding a certificate of incorporation or registration issued by the CRO and being *licensed* by the QFCA (refer to Chapter 3).

1. Deposit Taking
2. Providing Credit Facilities
3. Providing Custody Services
4. Dealing in Investments
5. Managing Investments
6. Advising on Investments
7. Arranging Deals in Investments
8. Arranging Credit Facilities
9. Arranging the Provision of Custody Services
10. Operating a Collective Investment Fund
11. Carrying out a Contract of Insurance
12. Effecting a Contract of Insurance

No firm may carry on a *Regulated Activity* in or from the QFC without *Authorisation* from the Regulatory Authority. A firm may only conduct the particular *Regulated Activities* that it has been granted specific *Authorisation* by the Regulatory Authority to carry on.
The QFC operates a streamlined application process for those seeking to apply to the CRO to incorporate or register in the QFC and who need to obtain a Licence from the QFCA and Authorisation, if needed, from the Regulatory Authority. The process has been designed to allow the Applicant to make a single submission.

To this end, the QFC Application Forms require the Applicant to provide sufficient information to enable the QFC to determine whether a Licence or an Authorisation is required, and to allow the CRO to process applications to incorporate or register in the QFC.

**Applying for a Licence to Conduct Non–Regulated Activities**

If an Applicant intends to carry on only Non-Regulated Activities, it must apply for a Licence from the QFCA by completing and submitting QFC Form Q01 “Application for a Licence to Conduct Non-Regulated Activities”, which is available to download from the Regulatory Authority website [www.qfcra.com](http://www.qfcra.com). Form Q01 asks for general information that establishes the Applicant’s identity and its proposed business activities as well as general background information on individuals performing certain functions within the Applicant.

The completed Form Q01 should be submitted to the Regulatory Authority, which undertakes the initial processing of the application on behalf of the QFCA. The Regulatory Authority will review the information provided in the form to gain an understanding of the activities for which a Licence is being sought and to assess the suitability of the Applicant to be granted a Licence by the QFCA to conduct those activities in or from the QFC.

In order to be granted a Licence by the QFCA to carry on Non-Regulated Activities, the Applicant must also make an application to the CRO to establish in the QFC either by incorporating as an LLC or an LLP, or by registering a branch office. The information provided by the Applicant in either of Appendices I, II, or III of Form Q01 will be used by the CRO to establish the Applicant in the appropriate category. The Applicant does not need to apply separately to the CRO.

In summary, the completion of Form Q01, “Application for a Licence to Conduct Non-Regulated Activities” covers the following:

- Application to the CRO to establish a legal presence in the QFC; and
- Licensing of the Applicant by the QFCA to conduct Non-Regulated Activities in the QFC.

**Applying for Authorisation to Conduct Regulated Activities**

Applicants seeking Authorisation by the Regulatory Authority to conduct Regulated Activities must complete and submit to the Regulatory Authority Form Q02, “Application for Authorisation to Conduct Regulated Activities”, which is available to download from the Regulatory Authority website [www.qfcra.com](http://www.qfcra.com).

This form will require Applicants to provide, amongst other things:

- general information about the firm;
- a description of the proposed business;
- details of the firm’s compliance arrangements;
- information on the firm’s IT systems;
- financial information about the firm; and
- details regarding AML systems and business continuity plans.

The information is required in order to assist the Regulatory Authority in identifying the Regulated Activities for which Authorisation is being sought, to understand how those activities will be carried on, and to assess the suitability of the Applicant to be granted Authorisation to conduct those Regulated Activities. The Applicant will need to satisfy the Regulatory Authority that it has sufficient financial resources, adequate systems, suitable compliance arrangements, and effective internal controls around the Regulated Activities to be conducted.

As noted earlier in order to be granted Authorisation by the Regulatory Authority to conduct Regulated Activities, the Applicant must also apply to the CRO in order to establish a legal presence within the QFC. The information provided by the Applicant in either of Appendices II, III or IV of Form Q02 will be used by the CRO to establish the Applicant either as an LLC, an LLP, or a branch office. The Applicant does not need to apply separately to the CRO.

Further, an Applicant seeking Authorisation does not need to apply separately for a QFCA Licence to operate in the QFC – the information contained in Form Q02 will allow licensing to be dealt with as an adjunct to the Authorisation process.

In summary, the completion of Form Q02, “Application for Authorisation to Conduct Regulated Activities” covers the following:

- Application to the CRO to establish a legal presence in the QFC;
- Licensing of the Applicant by the QFCA to operate in the QFC; and
- Authorisation by the Regulatory Authority of the Applicant to conduct Regulated Activities.
If the Applicant has applied to an Overseas Regulator for similar status within the last 12 months, the Applicant should contact the Regulatory Authority because it may be possible for the Regulatory Authority to use information already prepared by the Applicant in assessing the application for Authorisation.

Applying for Approval of Approved Individuals of an Authorised Firm

Applicants seeking Authorisation will be required to appoint individuals to perform certain key functions on its behalf (termed “Controlled Functions”). Individuals carrying out Controlled Functions on behalf of the Applicant must be approved by the Regulatory Authority as Approved Individuals. The Controlled Functions are defined in the Individuals Rulebook (“INDI”), which is available through the Regulatory Authority website at www.qfcra.com.

Applicants applying for Authorisation must ensure that individuals who will act as their Approved Individuals, complete and submit to the Regulatory Authority Form Q03, “Application for Approved Individuals”, which is available to download from the Regulatory Authority website www.qfcra.com.

This form will require individuals to provide information in relation to their:

- contact details;
- employment history;
- qualifications; and
- past financial and disciplinary history.

Applying to Register a Company which Conducts neither Non-Regulated nor Regulated Activities in or from the QFC

At present, it is not permitted to establish an entity in the QFC unless that entity intends to conduct either Non-Regulated or Regulated Activities in or from the QFC.

The QFCA would expect to hold a pre-application meeting to discuss the Applicant’s proposed Non-Regulated Activities business and answer any questions that the Applicant might have in relation to the Licensing process. Similarly, the Regulatory Authority would expect to hold a pre-application meeting to discuss an Applicant’s proposed Regulated Activities business and answer any questions in respect of the Authorisation process.

Applicants with questions on how to complete Forms Q01, Q02 or Q03 should refer to The Application Process – Frequently Asked Questions which can be found on our website www.qfcra.com.

Alternatively firms may contact the Regulatory Authority Authorisation Division on +974 495 6888.
Chapter 5
Completing the Application Forms

The Application Forms (Forms Q01, Q02 and Q03) must be completed based on the Applicant’s knowledge of its proposed business and the Applicant must provide as full and complete information as is reasonably possible. If certain information is unavailable or the Applicant is unsure of any matter, this must be clearly stated in the Applicant’s response to the relevant section. The Applicant is reminded that it is a contravention of the FSR to knowingly or recklessly provide information which is false, misleading or deceptive; or to conceal information where the concealment of such information is likely to mislead or deceive the recipient of the completed application. The success of an application could be affected if the Regulatory Authority’s find that the Applicant has deliberately withheld information or provided false or incomplete facts.

The Applicant may appoint a professional adviser to act on its behalf in any correspondence or discussions with the Regulatory Authority regarding the application. Please note that the Applicant will be deemed to have been a party to any correspondence or ongoing dialogue between the appointed advisers and the Regulatory Authority.

By signing the relevant Application Form, the Director/Partner of the Applicant takes full responsibility for the content of the form, notwithstanding any assistance in the preparation of the form which may have been provided by a professional adviser such as an accountant, lawyer or regulatory adviser.

Questions must be answered fully and in English. Abbreviations should not be used. All financial information must be provided in US$. A statement of the original currency and the exchange rate applied for conversion must also be provided where appropriate.

Each section of the Application Form must be completed by individuals with appropriate knowledge and expertise. For example, the Systems Questionnaire within Form Q02 should be completed by an individual with knowledge of the Applicant’s systems, such as an IT professional.

Chapter 6
Application Fees

Non-Regulated Activities

Applicants seeking a License to conduct Non-Regulated Activities in or from the QFC are required to pay an application fee of $5,000. This is a flat fee payable without reference to the Applicant’s proposed business activities. Applicants must include payment of $5,000 with their application. No separate application fee will be payable for making an application to the CRO. An annual fee of $5,000 will be payable to the QFCA upon the granting of a Licence (in the initial year the fee is pro-rated to the number of whole months remaining in the calendar year), and on 1 January of every subsequent calendar year for so long as the Applicant remains Licensed.

Regulated Activities

In summary, the application fees in respect of Authorisation to conduct one or more Regulated Activities is set out in the General Rulebook (“GENE”) which is available through the Regulatory Authority’s website at www.qfcr.com. Applicants seeking Authorisation to conduct one or more Regulated Activities specified in the left hand column of the Fees Table must pay the highest of the corresponding application fees specified in the right hand column of the Fees Table. Applicants must include payment of the appropriate fee with their application.

It should be noted that the fees are not cumulative and the Applicant must pay only the highest of the corresponding fees relative to the Applicant’s proposed Regulated Activities, e.g. if the application is in respect of Deposit Taking, Dealing in Investments and Advising on Investments, the application fee will be $40,000.
Applicants seeking Approved Individual status for individuals performing Controlled Functions are required to pay an application fee of $500 for each such individual.

These fees relate only to the Applicant’s initial application. No separate application fee will be payable for the applications made to the CRO or the QFCA. An annual fee will be payable to the Regulatory Authority upon the granting of Authorisation (in the initial year the fee is pro-rated to the number of whole months remaining in the calendar year), and on 1 January of every subsequent calendar year for so long as the Applicant remains Authorised. The annual fee will include a $500 fee for each Approved Individual registered as at the 30 September of the previous year.

Applicant’s may be required to pay a supplementary fee in circumstances where the Regulatory Authority expects to incur substantial additional costs in dealing with an application or conducting ongoing supervision.

Any fees paid, whether for an application for a QFCA Licence, Authorisation by the Regulatory Authority, or in respect of an Approved Individual, are non-refundable, regardless of whether the application is successful or not.

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A hard copy of the completed Application Form, which has been signed by the Applicant’s Directors, should be delivered to:

The Regulatory Authority  
PO Box 22989  
Doha  
Qatar  

Applicants should retain a copy of the completed Application Form for their own records.

The Applicant is also requested to submit an electronic version of the completed Application Form, i.e. on a CD or by email, when submitting the hard copy version.

Payment of the required application fee must be included with the completed Application Form.

Applicants should receive acknowledgement of their completed applications within 5 business days of receipt of the completed forms by the Regulatory Authority.

The Regulatory Authority aims to process all applications for both Licensed and Authorised Firms within 3 months of receipt, provided the application received is complete. Failure to supply information to the Regulatory Authority or the QFCA in a timely manner may increase the time needed to review an application.

Should an Applicant submit an incomplete application and subsequently fail to provide any missing information, or fail to provide any other information requested, the Regulatory Authority or the QFCA reserves the right to deem the application withdrawn.
1. Discuss the Applicant’s business proposals with the QFCA and the Regulatory Authority and read this ‘Guide to the Application Process’ before starting the application.

2. Check that the proposed activities fall within the definition of Regulated Activities or Non-Regulated Activities. Check whether there are any applicable exemptions or restrictions which may have an impact on the Applicant’s activities or its application.

3. Check that the Applicant is submitting the correct application form and has clearly indicated the Regulated Activities and/or Non-Regulated Activities to be carried on.

4. Be comprehensive. Provide as much information as possible about the Applicant’s business strategy and rationale in the Regulatory Business Plan. The more information provided about the Applicant, its business, its employees, operations and processes when submitting the application, the faster the application can be processed.

5. Be prepared – delays in providing information when requested will impact on the time it takes to process the application.

6. Ensure procedures and controls are relevant. Ensure the Application Form and all supporting documentation is of high quality and contains the information requested. Office procedures and manuals should be relevant to the activities to be carried out in the QFC.

7. Ask questions. The Applicant should check with the Regulatory Authority if it is unsure of what information is required or whether information is relevant.

8. Review the application, even when consultants or legal advisers are used. The Applicant is the one who knows its business best and it is responsible for any information contained in the Application Form.

9. Nominate a contact person within the Applicant with responsibility for managing the application process and to assist the Regulatory Authority with any enquiries.

10. Submit the signed Application Form and pay the application fee at the same time. Unsigned or unpaid applications are considered materially incomplete and may be returned.

For further information please visit the Regulatory Authority website at www.qfcra.com or contact the Regulatory Authority directly at:

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