



## **International Financial Services (Qatar) LLC receives public censure from QFC Regulatory Authority**

**Doha, Qatar, Sunday 27 April 2014:** The QFC Regulatory Authority has decided to publically censure International Financial Services (Qatar) LLC (IFSQ) after reaching a settlement agreement that addresses the QFC Regulatory Authority's serious concerns regarding the actions of a former approved individual of IFSQ and IFSQ's systems and controls in relation to that conduct.

The QFC Regulatory Authority censures IFSQ under Article 58 of the Financial Services Regulations for the following:

- IFSQ managed clients' investments causing it to breach the scope of its authorisation, in contravention of Article 11(2) of the Qatar Financial Centre Law;
- IFSQ's record-keeping systems were not adequate in ensuring that client files contained appropriate historical records of client communications and IFSQ failed to keep appropriate records of client communications, as required under rule 6.2.6 of the General Rulebook;
- IFSQ's corporate governance processes and senior management personnel failed to ensure that its affairs were managed effectively, in contravention of Rule 2.1.3 of the Principles Rulebook (PRIN); and
- IFSQ failed to ensure that it had effective systems and controls in place, including risk management systems and adequate human and technological resources, in contravention of rule 2.1.4 of PRIN.

The QFC Regulatory Authority considered IFSQ's contraventions to be serious, with the potential to undermine the confidence of current and prospective users of the QFC.

IFSQ demonstrated a commitment to settle the matter and reported the conduct to the QFC Regulatory Authority. IFSQ cooperated with the Regulatory Authority during the course of the investigation of the matter. IFSQ undertook significant remedial steps to address the QFC Regulatory Authority's concerns and has agreed to compensate clients who were impacted by the actions of its former approved individual.

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### **About the QFC Regulatory Authority**

The QFC Regulatory Authority is an independent regulatory body established by Article 8 of the QFC Law. It regulates firms that conduct financial services in or from the QFC. It has a broad range of regulatory powers to authorise, supervise and, when necessary, discipline firms and individuals. The QFC Regulatory Authority regulates firms using principle-based legislation of



international standard, modelled closely on that used in major financial centres. Further details are available at [www.qfcra.com](http://www.qfcra.com)

**About 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. It 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. The QFC operates to international standards and provides a first class legal and business infrastructure for those doing business within the QFC. The QFC was created by QFC Law No.(7) of Qatar and has been open for business since 1 May 2005.