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**Application for Authorisation**

**MiFID Annex**

**Legal name of applicant firm**

|  |
| --- |
|  |

**Important information you should read before completing this form**

This MiFID Annex can be used to provide information:

1. Required by the RTS under 7(4) of MiFID II (as defined below)
2. As part of an application for authorisation (known as Part 4A permission) to enable us to assess whether the applicant firm satisfies conditions known as the threshold conditions (COND 2.2). We will only authorise a firm if we are satisfied that it meets these conditions
3. We need to process the application and prepare for the ongoing supervision of the firm (such as information relating to fees and prudential categories).

Please keep a copy of your completed forms and any supporting documents you include in your application pack for future reference.

When providing information specified under the RTS you should refer to both the head office of the firm and its potential branches and tied agents, for the information required under Articles 1 and 6 of the RTS. See Article 7 of the RTS.

The notes that accompany this Annex will help you complete the questions. They also explain why we require the requested information.

The FCA processes personal data in line with the requirements of the UK General Data Protection Regulation (EU) 2016/679 and the Data Protection Act 2018. For further information about the way we use the personal data collected in this form, please read our privacy notice available on our website: [www.fca.org.uk/privacy](http://www.fca.org.uk/privacy) .

**It is important that you provide accurate and complete information.  Knowingly or recklessly giving the FCA information which is false or misleading in a material particular may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000).  SUP 15.6.1R and SUP 15.6.4R (where applicable) require an authorised person to take reasonable steps to ensure the accuracy and completeness of information given to the FCA and to notify the FCA immediately if materially inaccurate information has been provided.  If necessary, please take appropriate professional advice before supplying information to us.**

**Terms in this application pack**

In this application pack we use the following terms:

* 'you' refers to the person(s) signing the form on behalf of the applicant firm
* 'the applicant firm' refers to the firm applying for authorisation
* ‘we’, ‘us’, ‘our’ or ‘FCA’ refers to the Financial Conduct Authority
* ‘FSMA’ refers to the Financial Services and Markets Act 2000
* ‘MiFID’ refers to the UK law implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU of the European Parliament and of the Council)
* ‘RTS’ refers to the UK version of the Regulatory Technical Standard (EU) 2017/1945 of 19 June 2017:

https://www.handbook.fca.org.uk/techstandards/MIFID-MIFIR/2017/reg\_del\_2017\_1943\_oj/?view=chapter

* ‘MTF’ refers to Multilateral Trading Facility
* ‘OTF’ refers to Organised Trading Facility
* ‘EMIR’ refers to the UK version of the European Market Infrastructure Regulation (Regulation (EU) No 648/2012)

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**Filling in the form**

**1** If you are using your computer to complete the pack:

* use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question
* save all the parts of the pack you have completed and attach to your application

**2** If you think a question is not relevant to you, write 'not applicable' and explain why.

**3** If you leave a question blank or do not attach the required supporting information without telling us why, we will have to treat the application as incomplete. This will increase the time taken to assess your application.

**4** If there is not enough space on the forms you may use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number.

**5** Ensure you have:

* completed the MiFID Authorisation Form
* completed the MiFID List of Members of the Management Body Form and any Form As
* completed the MiFID Annex
* completed the MIFIDPRU Supplement Form (UK MiFID investment firms only)
* completed any appendices necessary
* completed the fees and levies supplement
* completed the checklist form
* completed any other forms required under MiFID
* attached any supporting documents, and
* paid the application fee via Connect (please see the Connect pages for more information)

If you do not attach required supporting documents (eg structure chart and financial information) to your application, we will have to treat the application as incomplete. This will increase the time taken to assess your application.

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 only (MiFID firms are required to complete the MIFIDPRU supplement)

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 direct the business

5 Financial information - Article 3 MiFID exempt firms and non-UK MiFID firms only 34

6 Information on the organisation of the firm 36

|  |  |
| --- | --- |
| 1 | General information  Use this section to provide the information required under Article 1 (General Information) of the RTS and related information that we need for domestic purposes.  Please refer to that Article when completing this section and satisfy yourself that you have provided all the information specified.  Please confirm in the MiFID Authorisation Form that you have provided the relevant information in this section of the Annex.  Note: some information specified in Article 1(a) of the RTS will have been provided on the first page of the MiFID Authorisation Form. |

Other applications

Has the applicant firm submitted any other applications to the FCA within the last twelve months?

For example, another New Authorisation, an application for an Approved Person, Variation of Permission, Cancellation, MIFIDPRU Permission, Waiver, Appointed Representative or a notification for a Change in Control etc.

No

Yes 4 Give details below including any relevant FRN’s or application numbers

|  |
| --- |
|  |

Is the applicant firm submitting this application because they are changing their legal status?

No

Yes 4 Give details below of your current FRN and reasons why you are applying as a new firm with a different legal status. You must also complete a deed poll and attach it to your application in Connect: <https://www.fca.org.uk/publication/forms/change-of-legal-status-deed-poll.doc>

Existing FRN

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |

|  |
| --- |
|  |

Deed Poll Attached

Applicant firm names

**1.1 Does the applicant firm intend to change the registered name given on the front of this form upon authorisation?**

No

Yes4Give details below

|  |  |
| --- | --- |
| Name |  |

**1.2 Does the applicant firm intend to use any trading names in addition to the name given on the front of this form?**

No

Yes 4 Give details below

|  |  |
| --- | --- |
| Name |  |

Legal status of the applicant firm

**1.3 What type of firm is the applicant firm?**

Sole trader 4 Continue to Question 1.6

Private limited company

Partnership (other than limited partnership or limited liability partnership)

Limited liability partnership

Public limited company

Limited partnership

Unincorporated association

Other 4 You must detail below the legal status of the applicant firm

|  |
| --- |
|  |

**1.4 Date of incorporation or formation (dd/mm/yyyy)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | / |  |  | / |  |  |  |  |

**1.5 Where was the applicant firm incorporated or formed?**

England/ Wales

Scotland

Northern Ireland

Outside the UK4Give details below

|  |
| --- |
|  |

Contact details

**1.6 Contact details for a person within the applicant firm for the Financial Services Register**

This individual will be entered on the Financial Services Register as the complaints contact. He or she must perform a senior management function for the applicant firm.

|  |  |
| --- | --- |
| Title |  |

|  |  |
| --- | --- |
| First name(s) |  |

|  |  |
| --- | --- |
| Surname |  |

|  |  |
| --- | --- |
| Job title |  |

|  |  |
| --- | --- |
| Business address |  |
|  |
|  |
|  |
| Postcode |  |

|  |  |
| --- | --- |
| Phone number (including STD code) |  |

|  |  |
| --- | --- |
| Email address |  |

Details of professional advisers

**1.7 Has the applicant firm used a professional adviser to help with this application?**

No 4 Continue to Question 1.12

Yes

**1.8 Name of professional adviser's firm**

|  |
| --- |
|  |

**1.9 Do you want us to copy all correspondence to the professional adviser?**

No4 Continue to Question 1.11

Yes

**1.10 Name and contact details of professional adviser**

|  |  |
| --- | --- |
| Title |  |

|  |  |
| --- | --- |
| First name(s) |  |

|  |  |
| --- | --- |
| Surname |  |

|  |  |
| --- | --- |
| Business address |  |
|  |
|  |
|  |
| Postcode |  |

|  |  |
| --- | --- |
| Phone number (including STD code) |  |

|  |  |
| --- | --- |
| Mobile number (optional) |  |

|  |  |
| --- | --- |
| Email address |  |

**1.11 If the applicant firm becomes authorised will it continue to use a professional adviser (either the adviser listed above or another one)?**

No

Yes

Other details

**1.12 Principal place of business of applicant firm**

|  |  |
| --- | --- |
| Principal place of business address |  |
|  |
|  |
| Postcode |  |

|  |  |
| --- | --- |
| Phone number (including STD code) |  |

|  |  |
| --- | --- |
| Fax number (including STD code) |  |

|  |  |
| --- | --- |
| Email address |  |

**1.13 Does the applicant firm have a head office?**

No

Yes, it is the same as address given in Question 1.12

Yes, it is different from the address given in Question 1.12 4 Give details below

|  |  |
| --- | --- |
| Head office address |  |
|  |
|  |
| Postcode |  |

**1.14 Is the applicant firm an incorporated company?**

No

Yes4Is the registered office address the same as the address given in Question 1.12 or Question 1.13?

Yes, it is the same address given in Question 1.12 (principal place of business)

Yes, it is the same address given in Question 1.13 (head office)

No4Give details below

|  |  |
| --- | --- |
| Registered office address |  |
|  |
|  |
| Postcode |  |

|  |  |
| --- | --- |
| Phone number (including STD code) |  |

|  |  |
| --- | --- |
| Fax number (including STD code) |  |

|  |  |
| --- | --- |
| Email address |  |

**1.15 Does the applicant firm have a website address?**

No

Yes4Give address below

Being developed4Give address (if known) and launch date below

|  |
| --- |
|  |

**1.16 Please attach the following**

Certificate of incorporation  Attached

Copy of Partnership agreement deeds (if applicable)  Attached

Copy of Limited Liability Partnership agreement deeds   
(if applicable)  Attached

**1.17 Does the applicant firm have a registered number, eg Companies House number?**

No

Yes4Give details below

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |

1.18 Please confirm that all the details given in Questions 1.3-1.5 and 1.16-1.17 match companies house records

Yes

No4Give details below

|  |
| --- |
|  |

**1.19 Does the applicant firm have a Legal Entity Identifier (LEI) code?**

No

Yes4Give details below

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Financial year end

**1.20 Date of the applicant firm's financial year end (dd/mm)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | / |  |  |

Branches

1.21 Will the applicant firm have any branches in the UK that intend to conduct regulated activities?

No

Yes 4 Give details below

|  |
| --- |
|  |

Appointed representatives

1.22 Does the applicant firm intend to appoint any appointed representative within the first 12 months?

No

Yes 4 How many appointed representatives is the applicant firm intending to appoint within the first 12 months?

|  |
| --- |
|  |

Permission profile

To answer Question 1.23 you must refer to the relevant permission profiles table (1 or 2) on the following pages. These show the range of regulated activities, investment types and client types applicable to the applicant firm. For each regulated activity the applicant firm is requesting permission to carry on, you must tick:

* the investment types in which it is seeking to carry on that regulated activity
* client types for which it is seeking to carry on that regulated activity

**1.23 You must confirm that the applicant firm has completed one of the two Permission Profiles on pages 10-11, depending on their type of business**

Permission Profile 1 (UK MiFID investment firms and non-UK MiFID investment firms)

Permission Profile 2 (Article 3 MiFID exempt firms)

Please note that if the applicant firm intends to do any of the following activities, you will be asked in the relevant retail supplement about these:

* non-investment insurance contract
* regulated mortgage contract
* advising on pension transfers/op-outs
* advising on Peer-to-Peer agreements
* funeral plan contracts
* providing basic advice on stakeholder products
* assisting in the administration and performance of non-investment   
  insurance contracts
* dealing as agent in non-investment insurance contracts
* home reversions plans
* home purchase plans
* regulated sale and rent back agreements

If the applicant firm is a Small Authorised UK AIFM (Alternative Investment Fund Manager) you must complete and attach to your application the Supplement for Small Authorised UK AIFM: <https://www.fca.org.uk/publication/forms/mifid-small-aifm-supplement-form.docx>

You will be asked in this supplement about the following activities:

* establishing, operating, winding up a collective investment scheme
* managing an Authorised AIF
* managing an Unauthorised AIF

Attached

**Permission Profile table 1 – UK MiFID investment firms and non-UK MiFID investment firms**

You must tick all the investment types and regulated activities that the applicant firm intends to conduct.

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Investment type** | **Regulated activity** | | | | | | | | | | |
|  | Advising (excluding pension transfers/opt-outs) | Arranging (bringing about) deals in investments | Making arrangements with a view to transactions in investments | Dealing in investments as agent | Dealing in investments as principal | Managing investments | Safeguarding and administration of assets | Arranging safeguarding and administration of assets | Operating a MTF | Operating an OTF | Bidding in emissions auctions |
| **SECURITY** |  |  |  |  |  |  |  |  |  |  |  |
| Share |  |  |  |  |  |  |  |  |  |  |  |
| Debenture |  |  |  |  |  |  |  |  |  |  |  |
| Alternative debentures |  |  |  |  |  |  |  |  |  |  |  |
| Government and public security |  |  |  |  |  |  |  |  |  |  |  |
| Warrant |  |  |  |  |  |  |  |  |  |  |  |
| Certificates representing certain security |  |  |  |  |  |  |  |  |  |  |  |
| Unit |  |  |  |  |  |  |  |  |  |  |  |
| Emissions allowances |  |  |  |  |  |  |  |  |  |  |  |
| Rights to or interests in investments (security) |  |  |  |  |  |  |  |  |  |  |  |
| **CONTRACTUALLY-BASED**  **INVESTMENT** |  |  |  |  |  |  |  |  |  |  |  |
| Option (excluding a commodity option) |  |  |  |  |  |  |  |  |  |  |  |
| Commodity option and option on commodity future |  |  |  |  |  |  |  |  |  |  |  |
| Future (excluding a commodity future and a rolling spot forex contract ) |  |  |  |  |  |  |  |  |  |  |  |
| Commodity future |  |  |  |  |  |  |  |  |  |  |  |
| Contract for differences |  |  |  |  |  |  |  |  |  |  |  |
| Binary Bet |  |  |  |  |  |  |  |  |  |  |  |
| Spread Bet |  |  |  |  |  |  |  |  |  |  |  |
| Rolling spot forex |  |  |  |  |  |  |  |  |  |  |  |
| Emissions auction product |  |  |  |  |  |  |  |  |  |  |  |
| Rights to or interests in investments (contractually-based investment) |  |  |  |  |  |  |  |  |  |  |  |
| Structured deposits |  |  |  |  |  |  |  |  |  |  |  |
| **CLIENT TYPE** |  |  |  |  |  |  |  |  |  |  |  |
| Retail (investment) |  |  |  |  |  |  |  |  |  |  |  |
| Professional |  |  |  |  |  |  |  |  |  |  |  |
| Eligible counterparty |  |  |  |  |  |  |  |  |  |  |  |

**Permission Profile table 2 – Article 3 MiFID exempt firms**

You must tick all the investment types and regulated activities that the applicant firm intends to conduct.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **INVESTMENT TYPE** | **REGULATED ACTIVITY** | |  | |
|  | Advising (excluding pension transfers/opt-outs) | Making arrangements with a view to transactions in investments | | Arranging (bringing about deals) | |
| Share |  |  | |  | |
| Debenture |  |  | |  | |
| Government and public security |  |  | |  | |
| Warrant |  |  | |  | |
| Certificates representing certain security |  |  | |  | |
| Unit |  |  | |  | |
| Option (excluding a commodity option) |  |  | |  | |
| Future (excluding a commodity future) |  |  | |  | |
| Contract for difference |  |  | |  | |
| Rights to or interests in investments (security) |  |  | |  | |
| Spread Bet |  |  | |  | |
| Alternative Debentures |  |  | |  | |
| Stakeholder pension scheme |  |  | |  | |
| Personal pension schemes |  |  | |  | |
| Life policy |  |  | |  | |
| Rights to or interests in investments (contractually-based investment) |  |  | |  | |
| Structured deposits |  |  | |  | |
| **CLIENT TYPE** |  |  | |  | |
| Retail (investment) |  |  | |  | |
| Professional |  |  | |  | |
| Eligible counterparty |  |  | |  | |

1.24 You must complete the following table to supply a list of MiFID investment services and activities and financial instruments the applicant firm intends to provide

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FINANCIAL INSTRUMENT** | | **LIST OF investment SERVICES AND ACTIVITIES** | | | | | | | | | | | | |
|  | | Reception and transmission of orders in relation to one or more financial instruments | Execution of orders on behalf of clients | Dealing on own account | Portfolio management | Investment advice | Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis | | Placing of financial instruments without a firm commitment basis | | Operation of an MTF | | Operation of an OTF | |
| (1) Transferable securities | |  |  |  |  |  |  | |  | |  | |  | |
| (2) Money-market instruments | |  |  |  |  |  |  | |  | |  | |  | |
| (3) Units in collective investment undertakings | |  |  |  |  |  |  | |  | |  | |  | |
| (4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rate or yields, emissions allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash | |  |  |  |  |  |  | |  | |  | |  | |
| (5) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event | |  |  |  |  |  |  | |  | |  | |  | |
| (6) Options, futures, swaps, and any other derivative contract relating to commodities that can by physically settled provided that they are traded on a UK regulated market, a UK MTF, or a UK OTF, except for wholesale energy products traded on a UK OTF that must be physically settled | |  |  |  |  |  |  | |  | |  | |  | |
| (7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes or wholesale energy products traded on an EU OTF that must be physically settled, which have the characteristics of other derivative financial instruments | |  |  |  |  |  |  | |  | |  | |  | |
| (8) Derivative instruments for the transfer of credit risk | |  |  |  |  |  |  | |  | |  | |  | |
| (9) Financial contracts for differences | |  |  |  |  |  |  | |  | |  | |  | |
| (10) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regards to whether, inter alia, they are traded on a UK regulated market, a UK OTF, or a UK MTF | |  |  |  |  |  |  | |  | |  | |  | |
| (11) Emissions allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme) or allowances created under the UK’s Greenhouse Gas Emissions Trading Scheme Order 2020 |  |  |  |  | |  |  | |  | |  | |  | |

MTF / OTF

1.25 Is the applicant firm seeking permission to carry on the regulated activity of operating a MTF or operating an OTF?

No 4 Continue to Question 1.27

Yes

1.26 You must complete and attach the MTFs and OTFs table, see <https://www.fca.org.uk/publication/forms/mifid-mtf-table-form.docx> (this should be saved and attached to the application on Connect)

Completed and attached

**You may also wish to apply for a waiver from pre-trade transparency and if so will be required to complete a Transparency Waiver Form** [**https://www.fca.org.uk/publication/forms/mifid-transparency-waiver-form.docx**](https://www.fca.org.uk/publication/forms/mifid-transparency-waiver-form.docx) **(this should be saved and attached to the application on Connect)**

Completed and attached

Other regulated activities

1.27 Is the applicant firm seeking permission to carry on any regulated activities not included in the Permission Profile table?

No

Yes 4 List the regulated activities not given in the Permission Profile table (with the corresponding investment and client types) below

|  |
| --- |
|  |

Agreeing to carry on a regulated activity

Under the permission regime, 'agreeing to carry on a regulated activity' is a regulated activity in its own right. As a matter of course, an applicant firm will carry on this regulated activity (which is limited to agreeing to carry on only the other regulated activities specified in its Scope of Permission Notice). Please note that this is not applicable for operating a MTF or operating an OTF.

1.28 You must confirm that the applicant firm requests permission to carry on this activity.

Yes

Standard limitation – investment activity in rights to or interests in investments

As a matter of course, a standard limitation on investment activity in the investment type of 'rights to or interests in investments' is attached to each regulated activity that an applicant firm is authorised to carry on.

1.29 You must confirm that the applicant firm requests the attachment of this limitation to each regulated activity specified in its completed Permission Profile table.

Yes

Standard requirement – client money

The applicant firm's Scope of Permission Notice will reflect whether it is permitted to hold and/or control client money.

1.30 Is the applicant firm seeking permission to hold and/or control client money?

Please note that Article 3 MiFID exempt firms are not permitted to hold client money in relation to MiFID business

No

Control client money only

Hold and control client money

Standard requirement for Article 3 MiFID exempt firms

1.31 You must tick the box below if the applicant firm is exempt from MiFID by virtue of the exemption in article 3 MiFID as implemented in the UK.

Must comply with the requirements in regulation 6 (or any successor provision) of the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017.

The above requirement will be contained in your Scope of Permission Notice

Venture capital / corporate finance business

1.32 The applicant firm must tick the box below if it is seeking authorisation only to carry on venture capital business and wishes to adopt the standard requirement below.

'The firm must not conduct designated investment business other than venture capital business.'

1.33 The applicant firm must tick the box below if it is seeking authorisation only to carry on corporate finance business and wishes to adopt the standard requirement below.

'The firm must not conduct designated investment business other than corporate finance business.'

1.34 The applicant firm must tick the box below if it is seeking authorisation only to carry on venture capital and corporate finance business and wishes to adopt the standard requirement below.

'The firm must not carry on designated investment business other than venture capital and corporate finance business'

1.35 You must tick the box(es) below if the applicant firm is seeking authorisation for advising retail clients, but it is only advising retail clients on venture capital business and/or corporate finance business

‘The firm must not conduct any designated investment business with retail clients other (or except) than corporate finance business.’

‘The firm must not conduct any designated investment business with retail clients other (or except) than venture capital business.’

Financial Promotions

From 7th February 2024 all authorised persons will require specific FCA permission to approve financial promotions for unauthorised persons. Authorised persons do not need to seek FCA permission to approve (i) their own financial promotions; or (ii) the financial promotions of their group entities or appointed representatives (in relation to regulated activities for which the firm has accepted responsibility).

1.36 Is the applicant firm applying for permission to approve financial promotions for unauthorised persons (other than its group entities or appointed representatives) under section 21 of FSMA?

By selecting yes you are applying for permission to approve financial promotions for unauthorised persons. This will not affect the firm's ability to approve its own financial promotions or those of its appointed representatives and members of its group. You will be asked further questions about this in the application for permission to approve financial promotions.

No4Continue to Question 1.52

Yes 4 Continue to Question 1.37

**1.37 Give details below of the type of investments the applicant firm wants to apply for permission to approve financial promotions for.**

|  |  |
| --- | --- |
| **Add** | **Investment Type** |
|  | Deposits |
|  | Insurance |
|  | Listed shares |
|  | Unlisted shares |
|  | Debentures |
|  | Alternative debentures |
|  | Government and public security |
|  | Warrants |
|  | Certificates representing certain securities |
|  | Units |
|  | Pensions |
|  | Options |
|  | Futures |
|  | Contracts for differences |
|  | Emission allowances |
|  | Lloyd’s syndicate capacity membership |
|  | Funeral plans |
|  | Mortgages |
|  | Home reversion plans |
|  | Home purchase plans |
|  | Regulated sale and rent back agreement |
|  | Consumer credit |
|  | Consumer hire |
|  | Cryptoassets |
|  | Peer to Peer |
|  | Rights to or interests in investments |
|  | Claims management activity |

**1.38 Give details of the categories of investment which have marketing restrictions which the applicant firm expects to approve financial promotions for.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Investment Type** | **Non-mass market investments (NMMI)** | **Restricted Mass Market Investments (RMMI)** | **No relevant restrictions** |
| Unlisted shares |  |  |  |
| Listed shares |  |  |  |
| Debentures |  |  |  |
| Alternative debentures |  |  |  |
| Units |  |  |  |

Policies and procedures

**1.39 How will the applicant firm ensure that the financial promotion is fair, clear and not misleading and otherwise complies with applicable financial promotion rules, both before approving it and, where relevant, during continued monitoring of its compliance with applicable financial promotion rules?**

|  |
| --- |
|  |

**1.40 How will the applicant firm ensure the authenticity of the propositions described in the promotions it is asked to approve?**

|  |
| --- |
|  |

**1.41 How will the applicant firm mitigate the particular risks which it has identified for approving financial promotions for unauthorised persons? How will the applicant firm maintain adequate records of the financial promotions which it will approve?**

|  |
| --- |
|  |

**1.42 How will the applicant firm ensure the commercial viability of the propositions described in the promotions it is asked to approve?**

|  |
| --- |
|  |

**1.43 What process will the applicant firm follow for withdrawing an approval of a financial promotion, where this is required?**

|  |
| --- |
|  |

**1.44 Is the applicant firm seeking permission to approve financial promotions for designated investments?**

No4Continue to Question 1.47

Yes

**1.45 How will the applicant firm assess whether relevant investments are reasonably capable of delivering advertised or headline rates of return?**

|  |
| --- |
|  |

**1.46 How will the applicant firm assess whether there are any fees, commissions or other charges within a relevant investment’s structure or elsewhere that could materially affect the investment’s ability to deliver advertised or headline rates of return?**

|  |
| --- |
|  |

**1.47 Will the applicant firm be approving financial promotions that retail customers can access?**

No

Yes

**1.48 Approximately how many financial promotions does the applicant firm expect to approve if it is granted permission to do so?**

First 12 months

|  |
| --- |
|  |

Year 2

|  |
| --- |
|  |

Year 3

|  |
| --- |
|  |

**1.49 Explain what fees the applicant firm intends to charge for approving and (where applicable) ongoing monitoring of financial promotions?**

|  |
| --- |
|  |

**1.50 Give details of the**

* **revenue the applicant firm estimates it will make from approving financial promotions**
* **percentage of the applicant firm’s estimated revenue from approving financial promotions.**

|  |
| --- |
|  |

**1.51 Give details of the relevant experience of individuals who will approve promotions**

|  |  |
| --- | --- |
| **Name of individual** | **Summary of experience** |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

Other limitations/requirements

**1.52 Is the applicant firm seeking to attach any other limitations to any of its regulated activities, or any other requirements on its permission?**

No

Yes 4Give details below

|  |
| --- |
|  |

Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017

**1.53 Will the applicant be required to comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and supervised by the FCA?**

No

Yes

Some applicants may also be subject to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 in respect of other professional activities eg legal or accountancy activities. For these activities, applicant firms may have a different supervisor (e.g. the Solicitors Regulation Authority or the Institute of Chartered Accountants in England and Wales) under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.

History of applicant firm

**1.54 Has the applicant firm ever been refused or had revoked any licence, membership, authorisation, registration or other permission granted by a financial services regulator or government body in the UK or overseas?**

No

Yes

**1.55 Has the applicant firm ever decided not to proceed, after making an application to a regulatory body, for:**

**• a licence?**

**• authorisation?**

**• registration?**

**• notification?**

**• membership?**

**• other permission granted by a regulatory body?**

No

Yes

1.56 If you have answered yes to Questions 1.54 or 1.55, give a full explanation of the events below.

**Make sure this includes:**

**• the question number the event refers to**

**• the date of the event**

**• any amounts involved**

**• the outcome**

**• an explanation of the circumstances**

|  |
| --- |
|  |

|  |  |
| --- | --- |
| 2 | Information on capital – Article 3 MiFID exempt firms and non-UK MiFID investment firms only  Use this section to provide the information required under Article 2 (Information on capital) of the RTS and related information that we need for domestic purposes.  Please refer to that Article when completing this section and satisfy yourself that you have provided all the information specified.  Please confirm in the MiFID Authorisation Form that you have provided the relevant information in this section of the Annex. |

This section of the form should only be completed by applicant firms who will be Article 3 MiFID exempt firms or non-UK MiFID investment firms. UK MiFID investment firms are required to provide this information as part of the MIFIDPRU Supplement Form, and so do not need to complete this section.

Article 3 MiFID exempt firms may be subject to IPRU (INV) 3, 5 or 13 depending on their activities. They are not subject to MIFIDPRU on an individual basis, but may be caught by MIFIDPRU if part of a group containing a UK MiFID investment firm.

Our prudential expectations for non-UK MiFID investment firms are described in MIFIDPRU 1.1.3G & 1.1.4G.

**2.1 Please confirm which of the following the applicant firm is applying as?**

Securities and futures firm subject to Chapter 3 of IPRU (INV)

Investment management firm subject to Chapter 5 of IPRU (INV)

Personal investment firm subject to Chapter 13 of IPRU (INV)

Non-UK MiFID investment firm

The option selected above should correspond with the applicant firm’s Scope of Permission (as requested in Section 1 of this Annex), the description of its proposed business in Section 6 of this Annex and its place of incorporation given in question 1.5. If it is not clear to us how it does so, then we will query this with you.

**2.2 If you answered Question 2.1 with “non-UK MiFID investment firm”, you should complete this question and then continue to Section 3.**

**Please provide details of the prudential regulation that the applicant firm is subject to in its home jurisdiction.**

This should include:

1. The name of any relevant regulatory body/bodies in the firm’s home jurisdiction
2. The activities for which the regulatory body is responsible
3. Contact details for a supervisor at each regulatory body
4. A summary of those requirements that apply to the applicant firm, including the following information:
5. What are the firm’s capital requirements (if any)? How much eligible capital does the firm have and by how much does it exceed these requirements?
6. What are the firm’s liquidity requirements (if any)? How much eligible liquidity does the firm have and by how much does it exceed these requirements?
7. What other key requirements does the firm have (if any)? And does it meet them?
8. A link or access to the applicable requirements

|  |
| --- |
|  |

Article 3 MiFID exempt firms

**2.3 You must state the gross amounts of each item for your capital calculation in accordance with Chapters 3, 5 or 13 of IPRU (INV)**

| **Please tick** | **Item** | **Amount** |
| --- | --- | --- |
|  |  |  |
|  | Ordinary share capital |  |
|  |  |  |
|  |  |  |
|  | Preference share capital |  |
|  |  |  |
|  |  |  |
|  | Share premium account |  |
|  |  |  |
|  |  |  |
|  | Profit and loss account (verified) |  |
|  |  |  |
|  |  |  |
|  | Partners’ current and capital accounts |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  | Sole trader capital |  |
|  |  |  |
|  |  |  |
|  | Eligible LLP members’ capital |  |
|  |  |  |
|  | (Audited) reserves |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  | Subordinated loans  Debt capital |  |
|  |  |  |
|  |  |  |
|  | Approved bank bonds (for chapter 3) |  |
|  |  |  |
|  |  |  |
|  | Approved undertakings (for chapter 3) |  |
|  |  |  |
|  |  |  |
|  | Qualifying arrangements (for chapter 5) |  |
|  |  |  |
|  |  |  |
|  | Qualifying property (for chapter 5) |  |
|  |  |  |
|  |  |  |
|  | **Total** |  |
|  |  |  |

Subordinated loans

**2.4 Does the applicant firm have any subordinated loans?**

No

Yes4You must give details below of any subordinated loans

See the relevant section of IPRU (INV) Annex D Required Forms for subordinated loan agreement form templates.

Please note for personal investment firms and investment management firms the subordinated loan is restricted to four times the firms paid up share capital and/or retained reserves. If there is more than one subordinated loan you must use a separate sheet of paper.

If you have used separate sheets of paper you must indicate how many below.

|  |  |
| --- | --- |
| Number of additional sheets |  |

|  |  |
| --- | --- |
| Name of funding provider |  |

|  |  |
| --- | --- |
| Amount |  |

|  |  |
| --- | --- |
| Date of agreement |  |

|  |  |
| --- | --- |
| Nature of funding |  |

Repayment terms, including number of instalments and final payment date

|  |
| --- |
|  |

|  |  |
| --- | --- |
| Interest payable | % |

**2.5 What type of firm is the applicant firm?**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Limited company | You must attach a Companies House form (SH01) | Attached  Applicant firm not yet capitalised |
|  | Partnership | You must attach the following:  Statements of personal assets and liabilities (see notes) (1 per partner)  Statement of partnership business assets and liabilities (see notes) (1 only) | Attached  Attached |
|  | Limited liability partnership | You must attach the members’ capital agreement (see notes) | Attached |
|  | Sole trader | You must attach the following:  Statement of personal assets and liabilities (see notes)  Statement of business assets and liabilities (see notes) | Attached  Attached |
|  | Other | You must attach details of the applicant firm’s constitution | Attached |

Other funding

**2.6 Does the applicant firm have other sources of external funding?**

No

Yes 4Please provide information on the use or expected use of any other borrowed funds including the name of the relevant lenders and details of the facilities granted or expected to be granted, including maturities, terms, pledges and guarantees, along with information on the borrowed funds (or funds expected to be borrowed) where the lender is not a supervised financial institution

|  |
| --- |
|  |

Personal Investment Firms

**2.7 If you answered Question 2.1 with “Personal investment firm subject to Chapter 13 of IPRU (INV)”, you should complete this question.**

Personal investment firms are subdivided into subcategories based on their permissions – see IPRU-INV 13.13.2R. The prudential requirements for these firms also depend in part on whether the firm also acts as a home finance or insurance intermediary. Please see the Notes to this form for more information.

**Category B3 firms**

The B3 firm category applies to firms **not intending** to hold or control client money. Please confirm whether you are:

B3 firm (with managing permission): personal investment firm (manages investments in respect of portfolios containing only life policies or delegate such activity to an investment firm)

B3 firm (without managing permission)

**Home Finance firm category**

Home Finance Intermediary that does not hold client money for its mortgage and home finance business

Home Finance Intermediary (that holds client money for its mortgage and home finance business)

**Non-investment insurance contracts categories**

Insurance intermediary

Insurance intermediary (that holds client money for its non-investment insurance business only)

**2.8 What is the applicant firm’s resource requirement?**

**IPRU (INV) only** - Where the applicant firm does not intend to hold client money, the financial resources requirement will be calculated on the basis of the higher of the minimum capital requirement or the income-based requirement.

**IPRU (INV) and MIPRU** - Where a firm is subject to both IPRU (INV) and MIPRU, in accordance with IPRU (INV) 13.13.3, it must calculate its requirement as the higher of:

1. 20,000
2. The sum of

1) the requirement computed based on its business subject to IPRU (INV) plus

2) the requirement computed based on its business subject to MIPRU (excluding the minimum fixed amounts specified in MIPRU)

|  |  |
| --- | --- |
| Resource Requirement |  |

This will be the applicant firm’s resource requirement.

Requirements - specific business categories

The description of the applicant firm's proposed business in Section 6 of this Annex, with its completed Permission Profile table, should correspond with the specific business category indicated by the applicant firm. If it is not clear how they correspond we will request further information from you.

Energy and oil market participants

**2.9 Is the applicant firm seeking authorisation to carry on business in any of the following specific categories only:**

* Energy market participant
* Oil market participant

Yes4Indicate which ones below

Energy market participant

Oil market participant

In each of these cases, the applicant's specific business category will be reflected by a requirement in its Scope of Permission Notice.

No

|  |  |
| --- | --- |
| 3 | Information on shareholders  Use this section and the controller forms to provide the information required under Article 3 (Information on shareholders) of the RTS and related information that we need for domestic purposes.  Refer to that Article when completing this section and ensure you have provided all the information specified.  Please confirm in the MiFID Authorisation Form that you have provided the relevant information in this section of the Annex and list the relevant controller forms.  In some cases, a Form A may be provided instead of a controller form, as explained in the notes to this section. |

This section helps us to understand who controls/owns the applicant firm, i.e. its controllers, and the relationships or close links the applicant firm might have with other individuals or entities. Often there will be some overlap between the applicant firm's controllers and close links. For example, an individual who owns or controls 10% or more of the voting rights or capital of the applicant firm is both a controller and a close link of that firm.

**3.1 How many controllers do you have?**

1 to 5 controllers 4 Give details of the controllers below

More than 5 controllers 4 Give details of the controllers below. If the nature of the relationship between the applicant firm and each of the controllers cannot be clearly shown below, please provide a structure chart on a separate sheet of paper. The structure chart should show the nature of the relationship between the applicant firm and each of its controllers. It must also include the information asked for below.

In all cases, for corporate controllers that are members of a group, the firm should submit a structure chart that:

* includes information on the main activities of each firm within the group
* identifies any regulated entities
* names the relevant regulator
* provides information on the relationship between the financial and other non- financial entities within the group

Structure chart provided on separate sheet

For indirect holdings please also provide both

* the name of the person through which the stake is held, and
* the name of the final holder

Please indicate how many separate sheets of paper you have used to complete Question 3.1.

|  |  |
| --- | --- |
| Number of additional sheets |  |

**Controller 1**

Name

|  |
| --- |
|  |

Legal status of controller, eg individual, partnership, limited company

|  |
| --- |
|  |

Percentage of shares or voting rights held in the applicant firm

|  |
| --- |
| % |

Percentage of shares or voting rights held in the applicant firm's parent(s)

|  |
| --- |
| % |

**Controller 2**

Name

|  |
| --- |
|  |

Legal status of controller, eg individual, partnership, limited company

|  |
| --- |
|  |

Percentage of shares or voting rights held in the applicant firm

|  |
| --- |
| % |

Percentage of shares or voting rights held in the applicant firm's parent(s)

|  |
| --- |
| % |

**Controller 3**

Name

|  |
| --- |
|  |

Legal status of controller, eg individual, partnership, limited company

|  |
| --- |
|  |

Percentage of shares or voting rights held in the applicant firm

|  |
| --- |
| % |

Percentage of shares or voting rights held in the applicant firm's parent(s)

|  |
| --- |
| % |

**Controller 4**

Name

|  |
| --- |
|  |

Legal status of controller, eg individual, partnership, limited company

|  |
| --- |
|  |

Percentage of shares or voting rights held in the applicant firm

|  |
| --- |
| % |

Percentage of shares or voting rights held in the applicant firm's parent(s)

|  |
| --- |
| % |

**Controller 5**

Name

|  |
| --- |
|  |

Legal status of controller, eg individual, partnership, limited company

|  |
| --- |
|  |

Percentage of shares or voting rights held in the applicant firm

|  |
| --- |
| % |

Percentage of shares or voting rights held in the applicant firm's parent(s)

|  |
| --- |
| % |

**3.2 What type of controllers does the applicant firm have?**

Body corporate, partnership or trust 4Provide financial statements for the last three financial periods.

Attached

Individual4Provide information to show your financial position

Attached

Controller forms

**3.3 Applicant firms must submit with this application the appropriate controller forms for each of its controllers. These forms will be provided on Connect.**

For each of the controllers, applicant firms must submit:

* a legal person controller(s) – Controllers appendices – Legal persons and partnerships
* a natural person controller (s) – Controllers appendices – Natural persons
* a trust controller(s) – Controllers appendices - Trust

Controller forms attached

Close links

**3.4 Does the applicant firm have close links?**

No4 Continue to Section 4

Yes

**3.5 You must provide a structure chart to show**

* **the nature of the relationship between the applicant firm and each close link**
* **the business type of the close link.**

If you are also providing a structure chart for Question 3.1 to illustrate the applicant firm's controller(s) or group, that chart should include all of the applicant firm's close link(s).

Structure chart provided on separate sheet

Information added to the structure chart provided in Question 3.1

Please indicate how many separate sheets of paper you have used.

|  |  |
| --- | --- |
| Number of additional sheets |  |

**3.6 Are you aware of any information to suggest that any close link is likely to prevent our effective supervision of the applicant firm?**

No

Yes4Give details below

|  |
| --- |
|  |

|  |  |
| --- | --- |
| 4 | Information on the management body and persons who direct the business  Use this section and the Form As to provide the information required under Article 4 (Information on the management body and persons who direct the business) of the RTS and related information that we need for domestic purposes.  Refer to that Article when completing this section and ensure that you have provided all the information specified.  Please confirm in the MiFID Authorisation Form that you have provided the relevant information in this section of the Annex and list the relevant Form As. |

Senior Management functions

**4.1 List the names of the persons who will perform senior management functions. A person may perform more than one senior management function. Where the person for the role has not yet been recruited, please indicate this in the relevant box below. The type of firm you are will determine the table you will need to complete.**

UK core firms4Continue to 4.1.1

Third country core firms4Continue to 4.1.2

Enhanced firms4Continue to 4.1.3

The applicant firm will not necessarily need to have all these senior management functions listed in the relevant box below.

You must use a separate sheet of paper if necessary.

If you have used separate sheets of paper, you must indicate how many below.

|  |  |
| --- | --- |
| Number of additional sheets |  |

You should also indicate the country where the person will primarily be based if this is other than the UK.

**4.1.1 UK core firms**

|  |  |  |
| --- | --- | --- |
| **Function** | **Description of Senior Management Function** | **Name of individual** |
| SMF 1 | Chief Executive |  |
| SMF 3 | Executive Director |  |
| SMF 9 | Chair of the governing body |  |
| SMF 16 | Compliance Oversight |  |
| SMF 17 | Money Laundering Reporting Officer |  |
| SMF 27 | Partner |  |

**4.1.2 Third country core firms**

|  |  |  |
| --- | --- | --- |
| **Function** | **Description of Senior Management Function** | **Name of individual** |
| SMF 3 | Executive Director |  |
| SMF16 | Compliance Oversight |  |
| SMF 17 | Money Laundering Reporting Officer |  |
| SMF 19 | Head of Third Country Branch |  |

**4.1.3 Enhanced firms**

|  |  |  |
| --- | --- | --- |
| **Function** | **Description of Senior Management Function** | **Name of individual** |
| SMF 1 | Chief Executive |  |
| SMF 2 | Chief Finance |  |
| SMF 3 | Executive Director |  |
| SMF 4 | Chief Risk |  |
| SMF 5 | Head of Internal Audit |  |
| SMF 7 | Group Entity Senior Manager |  |
| SMF 9 | Chair of the governing body |  |
| SMF 10 | Chair of the Risk Committee |  |
| SMF 11 | Chair of the Audit Committee |  |
| SMF 12 | Chair of the Remuneration Committee |  |
| SMF 13 | Chair of the Nomination Committee |  |
| SMF 14 | Senior Independent Director |  |
| SMF 16 | Compliance Oversight |  |
| SMF 17 | Money Laundering Reporting Officer |  |
| SMF 18 | Other overall responsibility function |  |
| SMF 24 | Chief Operations |  |
| SMF 27 | Partner |  |

**4.2 You must fill in a ‘Form A - Application to perform controlled functions including senior management functions’ for each person who will be performing a senior management function that you have listed in Questions 4.1.1 to 4.1.3, see:** [https://www.fca.org.uk/publication/forms/long-form-a-mifid.docx](https://www.fca.org.uk/publication/forms/long-form-a-mifid.docx )  **for more information. This will be provided on Connect.**

You must also provide a Senior Management Regime: Statement of Responsibilities (<https://www.handbook.fca.org.uk/form/sup/SUP_10C_Ann_10D_SOR_20191209.pdf> ) with each Form A and attach it to your application in Connect

How many ‘Form As’ are being sent with this application?

|  |
| --- |
|  |

**4.3 Please briefly describe the human and financial resources the applicant firm intends to devote on an annual basis to the induction and training of the individuals who will perform senior management functions**

|  |
| --- |
|  |

**4.4 Will the applicant firm advise on derivatives to ‘retail clients’?**

No

Yes4You must provide evidence that the advisers carrying out this activity have been assessed as competent to undertake such an activity and possess a complete qualification as per the provisions of TC 2.1.7R

Attached

Staff organisational structure chart

The applicant firm must show that it has an effective management structure and clear reporting lines to senior managers.

**4.5 Is the applicant firm a sole trader or a sole director of a limited company with no employees?**

Yes 4You must provide the details of the person empowered to substitute immediately the sole trader or the sole director if the latter becomes incapacitated.

No 4 You must provide a staff organisational structure chart, clearly indicating senior management, decision makers, headcount of the internal management and control bodies on a separate sheet of paper.

Attached

|  |  |
| --- | --- |
| 5 | Financial information – Article 3 MiFID exempt firms and non-UK MiFID investment firms only  Use this section to provide the information required under Article 5 (Financial information) and Article 6(c)(iv) (Programme of operations) (for prudential requirements) of the RTS and related information that we need for domestic purposes. UK MiFID investment firms are required to provide this information as part of the MIFIDPRU Supplement Form, hence they do not need to complete this section.  Please refer to that Article when completing this section and ensure that you have provided all the information specified.  Please confirm in the MiFID Authorisation Form that you have provided the relevant information in this section of the Annex. |

**5.1 The applicant firm is required to provide the following:**

A forecast balance sheet for the first 3 business years  Attached

A forecast monthly profit and loss accounts for the first year  Attached  
and then a year end account for years 2 and 3   
business years. As a minimum, the profit and loss forecast   
must disclose the following on a monthly basis:

a) gross income, analysed between regulated and  
 un-regulated activities

b) business expenditure, relevant annual expenditure,   
analysis of the major overheads expenditure, and

c) profit before taxation.

A monthly cash flow forecast for the first business year and  Attached  
then a year end cash flow forecast for years 2 and 3

Monthly calculation of the applicant firm's financial  Attached

resources/capital resources against its financial

resources/capital resources requirement, demonstrating

how the former meets the latter, projected over

a one year period after authorisation. This must

include working papers showing the assumptions

on which the calculations are based.

**5.2 You must also complete the relevant Financial Analysis template that you can find here:** [**https://www.fca.org.uk/firms/authorisation/apply/preparing-financial-information**](https://www.fca.org.uk/firms/authorisation/apply/preparing-financial-information) **.**   
These templates corresponds to financial data that regulated firms need to provide to the FCA on an ongoing basis, once authorised.

Attached

Planning assumptions

**5.3 You must give details on the following:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **At authorisation** | **12 months after** | **24 months after** | **36 months after** |
| **Number of customers** |  |  |  |  |
| **Number of transactions per month** |  |  |  |  |
| **Expected assets under management** |  |  |  |  |
| **Number of investors in the fund(s) that the applicant firm will manage** |  |  |  |  |

**5.4 Is the applicant firm currently trading?**

No 4Continue to Section 6

Yes 4You must provide the applicant firm’s end of year accounts for the last 3 years or since the beginning of the activity. This should include the following:

Balance Sheet  Attached

Profit and Loss accounts  Attached

Audited annual reports  Attached

N/A

A report by the company auditor of the last 3 years  Attached

or since the beginning of the activity  N/A

|  |  |
| --- | --- |
| 6 | Information on the organisation of the firm  Use this section to provide most of the information required under Article 6 (Programme of operations) of the RTS and related information that we need for domestic purposes.  Please refer to that Article when completing this section and ensure that you have provided all the information specified.  Please confirm in the MiFID Authorisation Form where you have provided the relevant information in this section of the Annex.  The notes to this Annex indicate the information specified in Article 6 that will be provided through other parts of the MiFID application pack. |

**6.1 Please provide details of the business the applicant firm proposes to carry on for the first 3 years of authorisation**

The applicant can provide the information under Question 6.1 either in the boxes below or in a separate business plan.

In describing its proposed business, the applicant firm must:

* Outline – in clear, plain language – the sort of transactions in which the applicant firm will typically be involved.
* Indicate whether these transactions will be carried on exchange and or/over the counter, and whether the applicant firm will require membership of any exchange (in which case, the status of the applicant firm’s application for membership of the exchange(s) must be provided).
* Explain the applicant firm’s own role in these transactions.
* Identify the various other parties to, and their roles in, these transactions, indicating which of these parties will be the applicant firm’s clients.
* Itemise the various different financial instruments to which these transactions will relate.
* Illustrate this transaction process in diagrammatic/flow-chart form with the applicant firm’s role in the transaction clearly distinguished. Indicate whether the applicant firm will be acting as a ‘systematic internaliser’.
* Explain how the applicant firm’s proposed business corresponds with the regulated activities it is applying for permission to carry on. The description should also include the respective investment and client types in, and for which, it will carry on each regulated activity (it will not necessarily carry on business in and for the same investment and client types for each regulated activity).
* Indicate whether any components of the applicant firm’s proposed business will not be regulated (and for which it will not therefore be authorised).
* Indicate the overall percentage split of the applicant firm’s income between its authorised and unregulated business.

The above should also be provided when the applicant firm intends to be authorised as a firm selling investments and/or home finance and/or non-investment insurance contracts.

The above should also be provided for the activities that the applicant firm intends to carry out and are outside the MiFID scope.

|  |
| --- |
|  |

If the applicant firm intends to carry on investment management activities you should also include details of the intended investment strategy, including the following:

* whether the applicant firm will make leveraged investments
* which sector(s) and geographical areas investments will be made in
* whether the applicant firm will make long-term investments
* the expected returns of investors
* investors minimum subscription levels
* a description of the due diligence carried out on the potential investments
* whether the applicant firm will have direct interests in any investee companies, and
* whether the applicant firm will invest in illiquid securities and how these will be valued

|  |
| --- |
|  |

If the applicant firm intends to carry on investment management activities you must enclose a copy of your proposed investment management agreement with your application.

Attached

Not attached – You must give reasons why below

To follow4You must give the date below (dd/mm/yyyy)

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**6.2** **Does the applicant firm intend to passport into Gibraltar under MiFID by:**

**• providing cross-border services, and/or**

**• establishing a branch, and/or**

**• appointing a tied agent**

No

Yes 4 Give details below, including scale of the activity (see notes for further information)

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Clients

**6.3 Describe (in terms of both geographical location and their own commercial/business activities) the types of individuals/businesses and their regulatory classification the applicant firm expects to become its clients**

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**6.4 Explain how the applicant firm will source its clients (referring to any existing contacts/relationships) and market its services to prospective new clients for the first 3 years**

**This should include details about:**

* the marketing and promotional activity and arrangements
* the languages the marketing is offered in
* the member states where advertisements are most visible and frequent
* type of promotional documents
* the identity of direct marketers, financial investment advisers and distributors, and the geographical localisation of their activity

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The Consumer Duty and Fair Treatment of Customers

Depending on their activities, firms will be subject to either Principle 6 (A firm must pay due regard to the interests of its customers and treat them fairly) or Principle 12 (A firm must act to deliver good outcomes for retail customers). Principle 12 and the Consumer Duty apply to all firms that determine, or have a material influence over, retail customer outcomes, even if they do not have a direct relationship with retail customers.

You can find out more about the Consumer Duty on our website (<https://www.fca.org.uk/firms/consumer-duty> ) and you can find out about Treating Customer Fairly in our Handbook.

**6.5 When the applicant firm developed its business plan, how did it account for the fair treatment of customers or the need to act to deliver good outcomes to retail customers?**

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**6.6 How will the applicant firm demonstrate that it is treating customers fairly or consistently acting to deliver good outcomes to retail customers?**

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**6.7 What has the management of the applicant firm identified as the key risks to treating customer fairly or acting to deliver good outcomes to retail customer, and what action has been taken to mitigate these risks?**

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Details of auditor / reporting accountant

**6.8 Does the applicant firm have an auditor or reporting accountant?**

No

Yes4Give details below

|  |  |
| --- | --- |
| Firm name of auditor/reporting accountant |  |

|  |  |
| --- | --- |
| Contact name |  |

|  |  |
| --- | --- |
| Address |  |
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|  |
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| Postcode |  |

|  |  |
| --- | --- |
| Phone number (including STD code) |  |

Details of the applicant firm’s organisational structure and internal control systems

6.9 Please provide details of the heads of internal functions including a detailed CV stating their relevant education, professional training and experience below.

CV for each individual attached as additional document

6.10 Please provide a description of the resources allocated to the various activities

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Client asset safeguarding arrangements

6.11 Is the applicant firm seeking permission for safeguarding and administration of assets?

No

Yes4Give the applicant firm’s expected highest total value of safe custody assets at any one time over the next 36 months (from application submission date) below

|  |
| --- |
| £ |

6.12 If the applicant firm is seeking permission to hold client money (please refer to Question 1.30), what is the applicant firm’s projected highest total amount of client money at any one point in time over the next 12 months from date of authorisation

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| £ |

6.13 Will client money be held by the firm in compliance with CASS 7.13.3R?

Yes, the client money will be placed into one or more accounts opened with:

a central bank

a CRD credit institution

a bank authorised in a third country

a qualifying money market fund

No4You must explain why below

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6.14 What is the anticipated CASS firm classification?

Large

Medium

Small 4Continue to Question 6.16

6.15 Has the applicant firm assigned to an individual performing a senior management function the Prescribed Responsibility for compliance with CASS?

Yes

No4You must explain why below

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6.16 Does the applicant firm intend to delegate any custodial duties?

No

Yes4Regarding this delegation, you must provide copies of the custodial agreements in place and give the name and address of the firm concerned below

Name of firm

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|  |

Address of firm

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If regulated, name of regulator

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Copies of the custodial agreements attached

Outsourcing with third parties

**6.17 What functions (if any) will the applicant firm outsource?**

Include details of the parties that the functions will be outsourced to and how the applicant firm will monitor and control the outsourced functions below

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Conflicts of Interest

**6.18 How will the applicant firm be remunerated?**

Tick all boxes that apply:

Fixed fees

Percentage-based fees

Commissions

Spreads

Other –give further information below, including:

* details regarding the applicant firm’s remuneration structure, including both monies received from clients and from any provider firms used
* percentages, frequency and type of remuneration (where applicable)
* any other activities from which the applicant firm intends to generate income

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**6.19 If the applicant firm's income will be derived other than by charging its clients, how will it disclose/explain to its clients its arrangements for receiving remuneration?**

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**6.20 What measures will the applicant firm use to identify and prevent or manage conflicts of interest?**

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**6.21 What arrangements of product governance will the applicant firm have in place?**

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Locum arrangements

**6.22 Does the applicant firm have more than one adviser?**

Yes

No4Give details below of the applicant firm’s locum arrangements, including the Firm Reference Number of the firm that will provide the service,

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IT systems

**6.23 Please provide a description of the key IT systems in use at the applicant firm which will support regulated activities, including off-the-shelf and bespoke packages**

Please provide any relevant supporting documentation such as high-level IT architecture diagrams

Attached

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You will be asked to complete a MiFID IT Self-Assessment form on Connect which will request more detailed information relating to the use of technology and business continuity arrangements. The answers you give will determine any further questions or requests for supporting evidence.

Business risks

**6.24 What are the main business risks for the applicant firm and how does it intend to manage those risks?**

Examples of business risks include key person risk, ongoing financial solvency not being met, clients being given unsuitable advice, inadequate systems and controls, unsuitable senior management, economic factors, competitors and their reaction to the applicant firm’s presence in the market.

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Compliance arrangements

You are not required to send compliance procedures with this application. However, the applicant firm must be able to produce a copy at any time while we are assessing the application, or in the future.

**6.25 You must confirm the applicant firm has documented compliance procedures in place**

Yes

Compliance monitoring programme

The applicant firm must establish, maintain and carry on a programme of actions to check it carries on, and continues to carry on, its business in line with its compliance procedures. This is called a compliance monitoring programme, which must be sent with this application.

6.26 You must confirm you have attached a compliance monitoring programme

Yes

Internal control and risk management systems

**6.27 You must provide a brief description of the internal control and risk management systems**

Please be aware you may be requested to provide hard copies of the internal control and risk management procedures.

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Financial crime

**6.28 You must briefly describe the procedures the applicant firm has put in place to counter the risks that it might be used by third parties to further financial crime, including any offence involving:**

1. **fraud or dishonesty**
2. **misconduct in, or misuse of information relating to, financial markets**
3. **handling the proceeds of crime (SYSC 6 (for common platform firms)**
4. **terrorist financing**

You must include the following in your description below:

• the steps the applicant firm will take to ensure its Money Laundering Reporting Officer knows his/her duties and is able to perform his/her senior management function effectively

• the procedures that will be in place to ensure that the applicant firm will obtain sufficient evidence of the identity of, and undertake all necessary due diligence exercises for, all its clients

• the systems and controls that will be in place to ensure that 'know your business' information (see SYSC 6.3) is made available to its Money Laundering Reporting Officer

• the anti-money laundering training the applicant firm will provide for its relevant staff

• the disciplinary procedures for any member of staff who fails to report promptly to the Money Laundering Reporting Officer any suspicion or belief that money laundering is occurring

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Market conduct

**6.29 You must briefly describe the steps the applicant firm has put in place to counter the risk that it or its staff may engage in activity which constitutes market abuse**

You must include the following:

* controls and procedures the applicant firm will have in place to mitigate the risk of market abuse
* details of the anti-market abuse training the applicant firm will provide for its relevant staff
* arrangements for monitoring the market abuse controls and procedures

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Records management

**6.30 You must provide a brief description of the records management policies and procedures the applicant firm will have in place, including record retention policies**

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Manual of procedures

**6.31 You must provide a brief description of the manual of procedures the applicant firm will have in place**

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Regulatory returns – RegData

All regulated firms have to supply regular regulatory returns. RegData is the mandatory reporting tool that the applicant firm must use when completing and submitting the majority of these regulatory returns. To complete the returns the applicant firm must have access to a computer with an internet connection. Read more about [RegData](https://www.fca.org.uk/firms/regdata).

**6.32 You must confirm that the applicant firm has the ability to complete its regulatory returns via RegData**

Yes

**6.33 Does the applicant firm agree to submit to us, at regular and stated intervals, financial information that can be used to help supervise and assess the applicant firm on an ongoing basis as specified in the Handbook?**

Yes

**6.34 Does the applicant firm agree to submit this information using RegData in a timely manner?**

Yes