

Application for a Financial Services Permission

Financial Services Regulatory Authority (FSRA) Venture Capital Fund Manager (VCFM) form

This form must be submitted by an Applicant applying to the Abu Dhabi Global Market Financial Services Regulatory Authority (ADGM FSRA) for a Financial Services Permission (FSP) to conduct the Regulated Activity of Managing a Collective Investment Fund, as defined in FSRA Fund Rules (“FUNDS”), where the Fund Manager only operates Venture Capital (“VC”) Funds. This form should not be used by Applicants who also intend to manage Collective Investment Funds other than VC Funds.

An application, once completed and signed, is to be submitted to the ADGM FSRA by email to Authorisation@adgm.com.

When preparing this application, you should review the FSRA document *Supplementary Guidance – Regulatory Framework for Fund Managers of Venture Capital Funds* (VC Guidance), which is available on the ADGM website.

Instructions for completing the Form

- Unless otherwise defined, capitalised terms shall have the meaning given to them in the ADGM FSRA Glossary (GLO) Rulebook;
- Use appendices if necessary and submit as attachments;
- Enter all dates in the DD/MM/YY format, unless otherwise required;
- Define all acronyms used;
- Questions are to be answered in detail, yet concisely, and no blank entries;
- If a question is not applicable, state “N/A” and explain why; and
- Ensure that that you are using the latest version of this application form. ADGM FSRA will only accept out-of-date forms if they are submitted within one month of the latest version available on our website.

1) Contact details of the Applicant and supporting information	3
2) Information about the Applicant	5
3) Regulated Activities.....	7
4) The Applicant’s proposed business model in the ADGM.....	8
5) Controlled Functions	11
6) Organisation structure and corporate governance	12
7) Compliance and outsourcing arrangements	13
8) Fit and proper questionnaire	15
9) Application fees to the FSRA.....	17
10) Declaration by the Applicant and Form submission	18

1 Contact details of the Applicant and supporting information

- 1.1 If the Applicant is a Branch of a non-ADGM incorporated entity¹ provide the following details about the head office:

Full legal name:	
Date of incorporation:	
Country of incorporation:	

- 1.2 If the Applicant is not applying as a Branch provide the following details:

Full legal name (if already incorporated in the ADGM):	
Proposed name of the Applicant:	
Proposed legal structure of the Applicant: ²	
The registered or proposed business address of the Applicant (if known):	

- 1.3 Provide the following contact details for the individual from the Applicant who is the principal for this application:³

Name:	
Designation:	
Contact number:	
E-mail address:	

- 1.4 Provide the name and contact details of any professional adviser(s) that may be assisting the Applicant⁴ with this application:

Name:	
Designation:	
Contact number:	

¹ Non-ADGM entities are firms created outside of the ADGM under the laws of another jurisdiction. Firms established by non-ADGM entities in the ADGM are commonly referred to as Branch offices. A Branch is not a separate legal Person to the firm.

² Body corporate / Limited liability partnership / Partnership Refer to Rule 5.2.2 of the ADGM FSRA, GEN module. Also, refer to ADGM Registration Authority, Companies Regulations 2015.

³ This person named will be responsible for the application during the authorisation process. He or she must be a representative of the Applicant.

⁴ The non-defined term "firm" and the defined term "Applicant" are used interchangeably in this form.

E-mail address:

1.5 Would you like us to copy in your adviser identified above on any correspondence?

1.6 What is or will be, if known, the registered business address for your ADGM operation?

1.7 What is, or will be, the website address of your new entity? Also, what is the website address of your head office or main shareholding firm?

2 Information about the Applicant

- 2.1 Provide an introduction to the Applicant including details of its history. Include any experience that it (or its Group) has in conducting regulated financial services in the UAE or any other jurisdiction⁵:

- 2.2 Provide information on the Controllers⁶ (not being Natural Persons) of the Applicant:

Name of Body Corporate, Limited Liability Partnership, or Trust:	Place of incorporation or registration:	Effective date of Shareholding: (MM/YYYY)	Percentage of effective Shareholding:

- 2.3 Where the Controllers of the Applicant are Natural Persons, complete the table below. The Applicant is required to complete this table for each Natural Person⁷:

Name of individual:	
Describe why this individual is considered a Controller:	
Shareholding details:	
Direct or Indirect Shareholder:	
Effective date of shareholding (MM/YYYY):	
Effective % of shareholding in Applicant:	
Personal Details:	
Date of Birth (DD/MM/YYYY):	
Gender (M/F):	
Nationality:	
Country of residence:	

⁵ Describe the core business activities, expertise, scale of business, and country of operations of the Applicant / Group. The description should also include any major developments in the history of the Applicant / Group (e.g., attaining listing, regulated status, strategic acquisitions, change in Shareholders, change in name, etc.).

⁶ Controllers are defined in GEN Rule 8.8.2.

⁷ Copy this table for each additional Controller.

For UAE citizens or residents, provide Emirates ID number: ⁸	
For non-UAE citizens or residents, provide passport number:	

Provide passport copies of all Controllers being Natural Persons. If they have more than one passport then provide copies of all of them.

State “yes” or “no” if all passports of all Controllers are included with this application submission:	
--	--

If the Applicant has more than two Shareholders, provide an ownership structure chart as a separate attachment reflecting all Shareholdings. If the Applicant is part of a wider group, also provide the Group Shareholding structure.

2.4 Financial information:

In the table below provide the general financial information.⁹ In addition, submit audited financial statements for the last three years, if available.¹⁰ Figures provided must be in USD:

Applicant’s financial statement:	Financial years ended:		
	[DD/MM/YYYY]	[DD/MM/YYYY]	[DD/MM/YYYY]
Revenue:			
Profits after tax:			
Shareholders’ funds / total equity:			

For start-ups, provide details of the financial wherewithal of the Shareholder(s):	
--	--

⁸ Also provide a copy of the Emirates ID.

⁹ If the firm is a start-up then we would want to know the financial wherewithal of the major Shareholder(s).

¹⁰ The audited accounts should include balance sheet, profit and loss statement, and cash flow statement. Where audited accounts are unavailable supply interim unaudited accounts or management accounts.

3 Regulated Activities

Regulated Activities: Complete the table below nominating the Regulated Activities¹¹ you seek to undertake.

<i>Managing a Collective Investment Fund:</i>	<input type="checkbox"/>
<i>Arranging on Deals in Investments¹²:</i>	<input type="checkbox"/>
<i>Advising on Investments or Credit¹³:</i>	<input type="checkbox"/>

¹¹ Definitions of the Regulated Activities are set out in FSMR Schedule 1, Part 2.

¹² Advising on Investments or Credit is restricted to co-investments in assets in which a Venture Capital Fund managed by the Applicant has invested or will invest. Refer to Supplementary Guidance – Regulatory Framework for Fund Managers of Venture Capital Funds for more information.

¹³ Arranging Deals in Investments is restricted to co-investments in assets in which a Venture Capital Fund managed by the Applicant has invested or will invest. Refer to Supplementary Guidance – Regulatory Framework for Fund Managers of Venture Capital Funds for more information.

4 The Applicant’s proposed business model in the ADGM

Note: In order to assist the ADGM FSRA to carry out a timely review of your application provide process flow-charts of your proposed operations. In these, incorporate all “touch-points” of the business flow processes. These will assist you in explicitly clarifying your Regulated Activities to us.

4.1 Provide a detailed description of the Applicant’s intended activities in the ADGM.

4.2 Provide details of the projected number of Clients and estimated value of assets under management (AUM) by the end of year one:

4.3 Provide the estimated percentage of your target Clients based on the expected AUM:

Type of Clients	% of total clients	% of total AUM
Professional Clients:		
Market Counterparties:		

4.4 Provide details of the underlying asset classes which the Fund(s) will likely be invested in:¹⁴

4.5 Confirm that all Funds that the Applicant will manage shall meet the definition of VC Fund included in FUNDS 4.1.6

¹⁴ For example: equities, fixed income, debt, property, derivatives, and, if applicable, details of the products such as derivatives used only for hedging purposes.

Note: To qualify for authorisation under the VC manager framework, an applicant will need to demonstrate that each VC Fund it intends to manage will meet the definition included in FUNDS.

4.6 Eligibility Criteria:

Describe how the VC Manager will ensure that the Fund(s) will invest only in the Securities of companies which are at an early stage of development and that are not listed or admitted to trading on an exchange. ¹⁵

Explain how the Fund(s) will satisfy the requirements of a closed-ended fund.

Demonstrate the requirement of the Fund(s) being offered only by way of private placement to Professional Clients (as defined in GLO).

Explain how the Fund(s) will satisfy the requirement of limits on total subscriptions to an amount not exceeding US\$100 million.

Confirm that the VC Fund(s) that the VC Manager intends to operate will be either a Domestic Fund that is an Exempt Fund or a Qualified Investor Fund, and / or, a Foreign Fund that is not available to Retail customers.

Where the VC Manager intends to manage a Foreign Fund¹⁶, provide details of the proposed Foreign Fund (specifically fund structure and jurisdiction) and describe the systems and controls in place to ensure compliance with the requirements that apply to the Foreign Fund in the jurisdiction in which it is established or domiciled.

4.7 Disclosure Requirements:

¹⁵ If the Fund is a Feeder Fund, describe how the Manager will ensure that the Master Fund complies with this criteria.

¹⁶ Applicable where the VC Manager intends to manage a Foreign Fund. Where the Applicant intends to manage a Foreign Fund, must also ensure that the requirements of Fund Rules 7.2.1 is met.

Provide details of how the Applicant will disclose to its Clients that it is exempted from maintaining Capital Resources¹⁷ in order to meet minimum Capital Requirements.

4.8 Custodial Arrangements:

Describe the safekeeping arrangements that the Applicant will operate in relation to the property of the Fund(s) that it intends to manage.¹⁸

4.9 Fund Valuation:¹⁹

Describe your formal valuation arrangements of the Fund(s) you intend to manage and how these will be disclosed to Clients:

4.10 Co-investments:

Where the Applicant intends to carry out the Regulated Activities of Arranging on Deals in Investments and/or Advising on Investments or Credit describe how the Applicant will seek to arrange co-investments and offer advice to co-investors.:

¹⁷ A VC Manager is exempted from the requirements of the PRU rules, except for sections 2.3 (Reporting) and 6.12 (Professional Indemnity Insurance).

¹⁸ An applicant that intends not to appoint an Eligible Custodian to a Fund pursuant to FUND 12.3.3(4) must demonstrate to the FSRA that either (i) an adequate and effective alternative safekeeping mechanism exists or (ii) it would not be practical or proportionate to do so.

¹⁹ A VC Fund Manager may choose not to establish an independent valuation function. Where the Applicant chooses not to do so, it must demonstrate to the FSRA how it will maintain adequate separation between the valuation and pricing function, and the investment management function pursuant to FUNDS 12.3.10.

5 Controlled Functions

5.1 Provide details on the appointment of the proposed individuals who will be performing Controlled Functions²⁰ in the table below²¹:

Name of individual	Controlled Function ²²	Executive or non-executive	UAE resident?
	Senior Executive Officer		
	Licensed Director		
	Licensed Partner		
	Compliance Officer		
	Money Laundering Reporting Officer		
	Finance Officer ²³		
	Responsible Officer		
	Senior Manager		

Provide a passport copy and curriculum vitae for each of the proposed individuals.

5.2 Provide a full organisation chart that depicts key appointments – including senior management, heads of function and reporting lines:

²⁰ As described in ADGM FSRA GEN Rule 5.3 – Controlled Functions and Approved Persons.

²¹ The Applicant must submit an ADGM FSRA – Approved Person Status-1 form for each proposed individual who will be performing a Controlled Function.

²² An individual may perform more than one Controlled Function. However, there should be proper segregation between the business and control responsibilities.

²³ Under the VC framework, it is not mandatory for a VC Manager to appoint a Finance Officer. Where the VC Manager chooses not to appoint a FO it should demonstrate that it has the relevant expertise (whether in-house or outsourced) on hand to prepare and oversee its financial accounts.

6 Organisation structure and corporate governance

Provide a diagram (as an attachment if more convenient) that depicts how the Applicant is related to each of its Controllers (including Natural Persons), and to related entities, Subsidiaries, and head office/Branch(s) (where applicable).

The chart should indicate the percentage of Shareholdings or Controller interests held by each Person, the date and place of incorporation of each entity, and the place of residency of each Natural Person. Entities which are regulated should be identified, along with their Regulator. Information on other forms of Controller interests should also be included (e.g. where Shares are held by a trust, provide details of all trustees, settlors and Beneficial Owners).

7.1 Organisation structure and corporate governance:

Provide a full organization chart that depicts key appointments – including senior management and heads of function, reporting lines, and (where applicable) the reporting lines to the Group or head office:

--

7.2 Board, Senior Management, committees, and independence of functions:

Describe the composition, scope, responsibilities, and reporting lines of each Board and management committee:

--

Identify any potential or actual conflict of interest that may arise and explain how the corporate governance structure and controls of the Applicant will mitigate or address each such conflict:

--

Provide a detailed summary of the Applicant’s compliance procedures and arrangements, including particular controls to address its activity:

--

7 Compliance and outsourcing arrangements

The Applicant will have to provide copies of the compliance procedures and monitoring programme in relation to its Regulated Activities at the time of Application submission:

10.1 Compliance Arrangements:

How are compliance breaches detected, recorded, categorised, rectified, and followed up?
What is the scope and frequency of the compliance reviews or audits?
Provide an overview of the Applicant’s proposed compliance monitoring programme:
How will the Compliance Officer interface with risk management and internal audit to achieve a holistic view of controls around operational risk and governance?
How will the Applicant ensure training and competence are embedded into the culture of the firm?

10.2 Outsourcing arrangements:

Provide details (if relevant) relating to any arrangements made with third-party Service Providers in connection with the Regulated Activities the Applicant will be conducting, including:

What functions or activities will be outsourced or delegated?
Will the above functions or activities be outsourced to a Group entity or an independent service provider?

If the Applicant will be utilizing the services of an independent service provider what was the rationale for choosing the one picked and has the Applicant interviewed the proposed individual if he/she is being sourced from an independent service provider?

How will the Applicant ensure that the ADGM FSRA has access rights to inspect the systems, controls, information and records of the service provider that relate to the Applicant?

Provide details of any business relationships with other counterparties in relation to the Regulated Activities. For example, custody arrangements, research, advisory services, and trade-execution services. (Note: these counterparties should be indicated in the flow charts in section 3.

8 Fit and proper questionnaire

If the response is “Yes” to any of the following questions, provide a detailed explanation. If necessary, attach separate documentation. Your responses must take into account any former Group or Close Links of the Applicant.

It will not necessarily impair our assessment of the Applicant’s fitness and propriety if there is a positive response in any of the disclosures. However, deliberately withholding information or providing false or misleading information is an offence and may, among other things, prevent the success of this application.

8.1 Has the Applicant or any member of its Group or Close Links been made aware, whether formally or informally, that it is the subject of a current or pending investigation, review or disciplinary procedure by any regulatory authority, professional body, Financial Services Regulator, self-regulatory organisation, regulated exchange, clearing house, government body, agency, or any other officially appointed inquiry?

Yes No *If “Yes”, provide full details:*

8.2 Has the Applicant or member of its Group or Close Links ever been convicted (including where a conviction has been completed, removed from record, or otherwise spent, as the case may be) or found guilty by any court of a competent jurisdiction of any criminal offence?

Yes No *If “Yes”, provide full details:*

8.3 In the last 10 years, has the Applicant or any member of its Group or Close Links been the subject of disciplinary procedures by a government body or agency or any Financial Services Regulator, self-regulatory organisation, or other professional body?

Yes No *If “Yes”, provide full details:*

8.4 In the last 10 years, has the Applicant or any member of its Group or Close Links contravened any provision of financial services legislation or of rules, regulations, statements of principle, or codes of practice made under it or made by a self-regulatory organisation, Financial Services

Regulator, regulated exchange, or clearing house?		
<input type="checkbox"/> Yes	<input type="checkbox"/> No	<i>If "Yes", provide full details:</i>
8.5 In the last 10 years, has the Applicant or any member of its Group or Close Links been refused or had a restriction placed on the right to carry on a trade, business, or profession requiring a licence, registration, or other permission?		
<input type="checkbox"/> Yes	<input type="checkbox"/> No	<i>If "Yes", provide full details:</i>
8.6 In the last 10 years, has the Applicant or any member of its Group or Close Links received an adverse finding or reached an agreed settlement in a civil action in any court or tribunal of competent jurisdiction?		
<input type="checkbox"/> Yes	<input type="checkbox"/> No	<i>If "Yes", provide full details:</i>
8.7 In the last 10 years, has the Applicant or any member of its Group or Close Links been censured, disciplined, publicly criticised, or the subject of any investigation or enquiry by any regulatory authority, Financial Services Regulator, or officially appointed inquiry?		
<input type="checkbox"/> Yes	<input type="checkbox"/> No	<i>If "Yes", provide full details:</i>

 Authorised signatory of the Applicant:²⁴

 Date:

Enter the name and title of the above authorised signatory of the Applicant:

²⁴ The individual signing this fit and proper questionnaire can be a Board member, Senior Executive Officer, Partner, proposed Board member, proposed Senior Executive Officer, or proposed Partner.

9 Application fees to the FSRA

This form, once duly completed and with the necessary signatures in place, can be emailed to the FSRA. (We can provide a link for large files.) For documents that have a signature we require both a PDF file and a Word file of the same.

We will formally acknowledge receipt of the Application and issue a payment invoice once we ascertain that it is materially complete. Details of the FSRA's bank account will be provided at that time. Incomplete submissions will be rejected.

Applications will not be processed until the relevant fees are paid in full to the FSRA.²⁵

Confirm that the application fees remitted will be net of all service charges for both sides of the transaction:	
--	--

As per FEES, Rule 1.2 – *General provisions*, and in the case of an Applicant, fees can be submitted, as the case may be, by:

- A member of the Applicant's Group;
- The Applicant's Parent;
- The Applicant's legal advisor;
- A Person who has applied to be a Controller in relation to the Applicant where the Applicant is in formation and does not have a commercial license to enable it to open a bank account in its own name; or
- The Authorised Person.

Make the payment by bank transfer in USD. Cheques or bank drafts will not be accepted. Provide the FSRA with a soft-copy of the executed transaction at the time of remitting the fees.

Firms are advised to retain a copy of their complete submission.

²⁵ Details of the application fees are contained in the FSRA FEES Rulebook.

10 Declaration by the Applicant and Form submission

- 10.1 I declare that, to the best of my knowledge and belief, having made all due enquiry, the information given in this form, and in the documents attached is complete and correct. I understand that it is an offence under ADGM FSRA, Article 221 – *Misleading the Regulator*, to knowingly or recklessly provide to the ADGM FSRA any information which is false, misleading or deceptive, or to conceal information where the concealment of such information is likely to mislead or deceive the ADGM FSRA.
- 10.2 I declare, to the best of my knowledge and belief, having made due enquiry, that the Applicant’s proposed individuals for Controlled Functions and the proposed Board members are fit and proper to perform the functions for which they are proposed.
- 10.3 I confirm that I have the authority to make this application, to declare as specified above and sign this form for, or on behalf of, the Applicant.
- 10.4 I understand that any personal data provided to the ADGM FSRA will be used to discharge its regulatory functions under Abu Dhabi Law No. 4 of 2013, ADGM Financial Services and Markets Regulations 2015, FSMR, the ADGM Data Protection Regulations 2021, and other relevant legislation and may be disclosed to third parties for those purposes.

Signature of authorised signatory of the Applicant²⁶: _____

Date: _____

Enter the name and position or title of the above signed authorised signatory of the Applicant:

²⁶ Or the person who will be authorised by the entity once it has been incorporated or established within the ADGM.