



ISLE OF MAN
FINANCIAL SERVICES AUTHORITY

Lught-Reill Shirveishyn Argidoil Ellan Vannin

Financial Services Act 2008

Application Form for a Financial Services Licence

**(to be completed by all applicants for licences under
the Financial Services Act 2008 excluding Professional
Officers and Class 1(3) – banks' Representative Offices)**

Completed applications, together with any supporting material, should be sent to:

Isle of Man Financial Services Authority
P O Box 58
Finch Hill House
Bucks Road
Douglas
Isle of Man
IM99 1DT

Licence Application – Guidance Notes

There are several sections to the application form, please complete all sections. Where something is not applicable please write “N/A” beside the question. The form can be downloaded from the Isle of Man Financial Services Authority’s (**‘Authority’s’**) website in Microsoft Word format to be completed electronically; alternatively, the applicant can print the form and complete it in black ink. The application form and any information provided on additional sheets must be signed and dated.

Please read the Authority’s [Licensing Policy for Regulated Activities under the Financial Services Act 2008](#) before making this application. Also, as part of applying for a Financial Services Licence applicants are required to submit a business plan alongside the completed application form. Please read the Authority’s [Business Plan Guidance](#) for assistance on the information to be included. Please note that where a “Rule” is referred to, this is the relevant rule from the [Financial Services Rule Book](#).

The Authority’s staff are available for consultation on a formal, or an informal basis, in the course of the preparation of an application for a licence and will give appropriate guidance where it is sought. However, in order that the role of the staff of the Authority is not misunderstood, the Authority wishes to emphasise that:

- (i) the preparation and submission of an application for a licence is the responsibility of the applicant;
- (ii) the decision whether or not to issue a licence is the responsibility of the Authority; and
- (iii) the Authority normally takes legal advice on questions of law that confront it and an applicant for a licence must similarly be prepared to seek legal advice if it has any doubts about the applicability of the law.

The Authority has determined that an application for a licence must be made on this form. Any deviation from this form may invalidate the application.

If an application is incomplete or does not disclose all information which may affect the Authority’s assessment, this may result in significant delays in processing. The Authority does not accept responsibility for any loss caused to the applicant by any delay.

It should be noted that by virtue of section 40 of the [Financial Services Act 2008](#) ("the Act") a person commits an offence if, for the purposes of obtaining a licence, he knowingly or recklessly gives any information which is false in a material particular, or if he fails to furnish information which that person is required to furnish to the Authority. Any person guilty of an offence under any provision of the Act shall be liable:

- (a) on summary conviction, to a fine not exceeding £5,000; or to a term of custody not exceeding six months, or to both;
- (b) on conviction on information, to a fine or to a term of custody not exceeding 2 years, or to both.

Isle of Man Financial Services Authority
December 2016

Section 1: Applicant Contact Details

1. Name of individual who is to be the primary contact for the application	
2. E-mail address of primary contact	
3. Postal address of applicant	
4. Daytime telephone number of primary contact	
5. The application fee payment should be made by BACS. Please confirm if the payment has been made.	<p>No <input type="checkbox"/> Yes <input type="checkbox"/> If "yes", please state what reference was on the payment _____</p> <hr/> <p><i>Bank : Isle of Man Bank Limited. Sort Code : 55-91-00 A/C Name: Isle of Man Government - Isle of Man Financial Services Authority. Account No : 12557838 Payment Reference: Name of Applicant followed by "AF"</i></p>

Section 2: Company Details

1. Full name of applicant and company number	
2. Date of incorporation	
3. Country of incorporation	
	<i>If not incorporated in the IoM please enclose a certified copy of the Memorandum and Articles of Association.</i>
4. Business/Trading name(s) (if applicable)	
5. Registered office address	
6. Business address in the Isle of Man (if different from above address)	
7. Will the business operate from multiple addresses?	No <input type="checkbox"/> Yes <input type="checkbox"/> If “yes”, please insert details below.
8. Website address	
9. Has a group structure chart been enclosed?	Yes <input type="checkbox"/> <i>Please see the guidance note at end of this section for details of the information to be included on the chart.</i>

10. Names and addresses of any regulatory authority which authorises or registers the applicant, or other group companies of the applicant (applications pending should also be included). Please note that the Authority will seek references from any such regulatory authority.

Company (and licence number if known)	Regulatory Authority

11. Is there any outstanding litigation against the applicant or has the applicant issued any current proceedings?

No Yes If "yes", please provide details on a separate sheet.

12. Have there been any convictions or civil judgements against the applicant?

No Yes If "yes", please provide details on a separate sheet.

Question 9 (Structure Chart) - Guidance note

The structure chart should include the following:

- The full legal ownership of the applicant including the name and place of incorporation of any parent companies;
- All controllers of the applicant as defined in section 48 of the [Financial Services Act 2008](#) and the percentage of shares held;
- If a foundation or a trust is present in the ownership structure, details of all the key parties involved;
- The trust deed / foundation instrument and foundation rules must also be submitted;
- The name, country of incorporation and nature of business of all subsidiaries of the licence applicant;
- The location of any branches of the applicant;
- Details of other group companies (including country of incorporation and names of directors), in particular those which undertake financial services; and
- Details of any regulatory authority to which any group company reports.

Section 3: Proposed Activities

Please see the [Regulated Activities Order](#) for assistance with completing this section of the form.

1. Mark all of the boxes relating to the regulated activities that will be undertaken by the applicant and list the sub-classes required. Further information should be supplied about the proposed activities in the accompanying business plan.

Regulated Activity		Sub-classes
Class 1 - Deposit Taking (not Class 1(3) ¹)	<input type="checkbox"/>	
Class 2 - Investment Business	<input type="checkbox"/>	
Class 3 - Services to Collective Investment Schemes	<input type="checkbox"/>	
Class 4 - Corporate Services	<input type="checkbox"/>	
Class 5 - Trust Services	<input type="checkbox"/>	
Class 6 – Crowdfunding Platforms	<input type="checkbox"/>	
Class 7 – Management or Administration Services	<input type="checkbox"/>	
Class 8 – Money Transmission Services	<input type="checkbox"/>	

2. Is the applicant proposed to be a managed entity?	No <input type="checkbox"/> Yes <input type="checkbox"/> If “yes”, please answer the questions below.
	Who is the proposed manager?
	Has the proposed manager applied to extend its licence to include Class 3(9) or Class 7? No <input type="checkbox"/> Yes <input type="checkbox"/> N/A <input type="checkbox"/>

¹ Please use alternative application form for Class 1(3)
July 2018

<p>3. Is the application for a branch operation?</p>	<p>No <input type="checkbox"/> Yes <input type="checkbox"/> If “yes”, please answer the questions below.</p>
	<p>Which body is the lead regulator?</p> <p>Has consent has been obtained from the lead regulator? No <input type="checkbox"/> Yes <input type="checkbox"/></p>
<p>4. Does the applicant intend to outsource responsibility for any aspect of the regulated activity to a third party?</p>	<p>No <input type="checkbox"/> Yes <input type="checkbox"/></p> <p><i>If so, full details of the arrangements should be included within the applicant’s business plan and a copy of the outsourcing agreement should also be supplied to enable the Authority to consider if the arrangement is appropriate.</i></p>
<p>5. Does the applicant intend to use any third parties as agents, either in or outside the Isle of Man, to undertake any of the regulated activities covered by this application?</p>	<p>No <input type="checkbox"/> Yes <input type="checkbox"/></p> <p><i>If so, full details of the arrangements should be included within the applicant’s business plan and a copy of the agency agreement should also be supplied to enable the Authority to consider if the arrangement is appropriate.</i></p>

Section 4: Controlled Functions

Individuals proposed to be undertaking controlled functions will need to be considered by the Authority. For guidance on controlled functions and the appropriate form to be completed, refer to the Regulatory Guidance - Fitness and Propriety (Section 8.b is particularly significant to licence applicants). Please also refer to the Training and Competence Framework which provides guidance on the level of experience and/or qualifications expected for certain controlled functions.

1. Including all staff in Controlled Functions, indicate the total number of staff within the applicant.	 <i>Please also enclose a staff structure chart including role titles/ key responsibilities.</i>
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2. List who will be the controllers of the applicant, and, where appropriate, the number of shares held by each. (For the definition of controller please see section 48 of the Financial Services Act 2008). If extra room is needed please use additional sheets.	
Name	No. of shares *

* *If shares are the subject of an option agreement or forward contract, provide details on a separate sheet.*

3. List who will be the directors, or proposed directors, of the applicant. Also, confirm if each individual will be an executive or non-executive director. If extra room is needed please use additional sheets.

Name	Date appointed or proposed to be appointed	Executive or Non Executive
		Executive <input type="checkbox"/> Non-Exec <input type="checkbox"/>
		Executive <input type="checkbox"/> Non-Exec <input type="checkbox"/>
		Executive <input type="checkbox"/> Non-Exec <input type="checkbox"/>
		Executive <input type="checkbox"/> Non-Exec <input type="checkbox"/>
		Executive <input type="checkbox"/> Non-Exec <input type="checkbox"/>

4. In respect of branch applications only, detail who will be the “R28. Isle of Man Resident Officer” for the applicant (please see Rule 8.25). The Authority requires there to be at least two nominated individuals, but no more than three. If the applicant proposes to have more than two Isle of Man Resident Officers please explain the rationale in the accompanying business plan.

5. Indicate who will take on the following Controlled Function roles within the applicant. If extra room is needed, please use additional sheets.	
R15. MLRO <i>See Rules 8.21 and 8.22.</i>	
R16. Deputy MLRO <i>See Rules 8.21 and 8.22.</i>	
R13. Head of Compliance (except those applying for Class 8 (1), (2)(b) or (3) permissions) <i>See Rules 8.21 and 8.23.</i>	
Controlled Function (If applicable) <i>(please specify role)</i>	
Controlled Function (If applicable) <i>(please specify role)</i>	
Controlled Function (If applicable) <i>(please specify role)</i>	
Controlled Function (If applicable) <i>(please specify role)</i>	

6. Have the required fitness and propriety forms and job descriptions been enclosed within the application?	Yes <input type="checkbox"/>
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7. Does the applicant intend to use a locum?	No <input type="checkbox"/> Yes <input type="checkbox"/> If "yes", please state the name and address of the applicant's locum.
	<i>Full details of the arrangement should be included within the applicant's business plan to enable the Authority to consider if the arrangement is appropriate.</i>

Section 5: Financial Details of the Applicant

See Rule 2.30 for the financial resource requirements (“FRR”) for different classes of Regulated Entity.

1. Indicate the proposed level of authorised and issued share capital of the applicant.	<p>Authorised share capital:</p> <hr/> <p>Issued share capital (including details of any share premium if applicable):</p> <hr/> <p><i>Please note evidence will be required to demonstrate that the level of issued and paid-up share capital (including any share premium) complies with the requirements of Rule 2.30).</i></p>
2. Is the applicant intending to rely on a subordinated loan?	<p>No <input type="checkbox"/> Yes <input type="checkbox"/> If “yes”, please indicate the amount of the proposed loan:</p> <hr/> <p><i>If a subordinated loan is proposed to be put in place, a copy of the agreement must be provided to the Authority for approval. A pro-forma agreement is available on the forms page. If applicable it should be supported by a copy of the audited accounts of the lender.</i></p>
3. Are there any amounts outstanding on any existing loans to any personnel of the applicant?	<p>No <input type="checkbox"/> Yes <input type="checkbox"/></p> <p>If “yes”, please provide further details in the business plan.</p>
4. Is the applicant intending to apply for financial assistance from IoM Government?	<p>No <input type="checkbox"/> Yes <input type="checkbox"/></p> <p>If “yes”, please provide further details in the business plan, including any conditions attached to such a financial grant.</p>

5. Identify what types of bank accounts are already operated, or proposed to be opened, by the applicant.

Type of Account	Name and Address of Bank	Account Name	Bank letter enclosed ***
Office Account (s)			Not required
Client Account (s) *			No <input type="checkbox"/> Yes <input type="checkbox"/>
Payment Account (s)**			No <input type="checkbox"/> Yes <input type="checkbox"/>

* Client Accounts as defined in Rule 3.2.

** Segregated Accounts as defined in Rule 3.37.

*** A letter should be obtained from the bank confirming that the accounts are held in trust on behalf of clients (Rules 3.9 and 3.41).

6. Has the applicant at any time within the last 6 years received an indication from a banker that its office account or a clients' money / segregated account has not been kept in a satisfactory manner?

No Yes If "yes", explain the circumstances on a separate sheet.

7. Accounting reference date of the applicant.

Please refer to Rule 2.1 for further details.

8. Please provide the name and address of the applicant's auditors, including the contact person.

Please refer to Rule 5.2 to ensure the auditors are suitable. The auditors should sign off Appendix 1.

9. For all Class 8 applicants only, what is the anticipated turnover from money transmission services for the next 12 months?

10. All applicants (except those applying for Class 8 (1), 8 (2)(b) or 8(3) permissions) must enclose the following documentation. Please indicate if each item has been attached to the business plan.

Projected profit and loss account, balance sheet and cash flow forecasts for the next two years (three years for Class 1 and Class 8 (2) (a) and Class 8 (4) applicants).

No Yes

If the applicant is an established company, a copy of the accounts of the applicant for the previous two accounting years (or for the period since the applicant was established, if it is less than two years).

No Yes

A statement of financial resources as at the date of the latest published accounts (if applicable).

No Yes

A statement of financial resources as it is expected to appear after one year of being licensed, on the basis of the core assumptions in the Business Plan.

No Yes

Section 6: Insurance Cover

See Rule 8.57 to ensure the proposed level of cover complies with the Rule Book

- 1. What level of insurance cover is held, or is proposed? Evidence of the cover in place should be submitted. If the cover is not yet in place please provide a quote that has been obtained. Prior to a licence being issued a copy of the schedule must be provided.**

	Level of indemnity	Excess	Evidence of cover included
Professional Indemnity ("PI") (not applicable to Class 1 or Class 8 (1), (2) and (3) applicants)			No <input type="checkbox"/> Yes <input type="checkbox"/>
Directors and Officers cover (if appropriate)			No <input type="checkbox"/> Yes <input type="checkbox"/>

- 2. Is the applicant covered by a group policy?**

No Yes If "yes" please enclose a copy of the group policy.

- 3. Is it proposed that a letter of comfort be put in place for the applicant in relation to the level of excess on its PI cover?**

No Yes If "yes", further details must be provided in the business plan.

Please note this can only be provided by applicant's parent company. A copy of the audited accounts of the provider of the letter of comfort must be submitted.

- 4. Please indicate if the policy covers the following items.**

If you have / propose clients, or manage / administer any assets, in the USA/Canada, does the policy include this region?

No Yes

N/A

Does your PI policy cover Fidelity Guarantee (Employee Theft)?

No Yes

Have you had any claims on the PI policy in the last 12 months? If yes, please provide details on an additional sheet.

No Yes

**Appendix 1 – Auditor’s / Accountant’s confirmation in connection with the application
for the issue of a financial services licence**

*To be completed by the auditors of all applicants except those applying for Class 8 (1), (2)(b) or (3)
permissions*

Dear Sirs

We refer to the application by _____
 (“the company”) for the grant of authority to carry on certain regulated activities under the Financial
 Services Act 2008. A copy of the application form together with the related business plan are attached
 and initialled for identification purposes.

We confirm that:

1. we are prepared to accept appointment as auditors to the applicant;
2. we carry Professional Indemnity Insurance at the appropriate level for this applicant;
3. we consider that the information provided in respect of the business plan has been properly
 prepared on the basis of the assumptions made by the directors of the company for which they
 are solely responsible.

Yours faithfully

Appendix 2 – Financial Services Act 2008 Declaration

This declaration must be signed by two directors or a director and company secretary of the applicant. A licence under Section 7 of the Financial Services Act 2008 ('the Act') will not be issued until a completed declaration in this form has been received by the Isle of Man Financial Services Authority.

Data Protection Notice

The Authority is registered with the Information Commissioner as a data controller under Isle of Man data protection legislation. The Authority collects and processes personal data to carry out its functions under relevant legislation and may share personal data with other parties where there is a legal basis for doing so. Information on how the Authority collects and processes personal data can be found in the [Privacy Policy](#) on the Authority's website:

<https://www.iomfsa.im/terms-conditions/privacy-policy/>

Please call **+44 (0)1624 646000** if you have any queries.

We declare that the information supplied in the attached application is complete and correct to the best of our knowledge and belief at the time of making this declaration.

We further declare that the applicant is, in our judgement and to the best of our knowledge, not "unable to pay its debts" as defined in section 163 of the Companies Act 1931.

We hereby apply to be licensed by the Isle of Man Financial Services Authority ("the Authority") in accordance with Section 7 of the Act.

We agree to provide any further information that the Authority may require when considering this application.

We agree to notify the Authority of any other information which is material to this application, and also to notify the Authority immediately of any material changes in the information provided in this application which may occur after the date of submission of the application and prior to the date on which a licence is granted or the date on which the applicant is notified that the application has been unsuccessful.

We understand and accept that the Authority may wish to make enquiries - both now and on a continuing basis - to satisfy itself as to the initial and continuing fitness and propriety of the applicant and individuals undertaking controlled functions. Accordingly, we authorise the bankers named in this application, together with any other person, body or institution (including the Police) that the Authority may approach, to provide such information, as the Authority believes may be relevant to its assessment.

We confirm that we have read and understood the Authority's [Licensing Policy for Regulated Activities under the Financial Services Act 2008](#).

We confirm that we have read and understood the [Financial Services Rule Book](#) issued by the Authority pursuant to the [Financial Services Act 2008](#) and we declare that our business is, or will be, conducted in accordance with that Rule Book.

We confirm that we have read and understood the Anti-Money Laundering and Countering the Financing of Terrorism Code 2015 and we declare that our business is, or will be, conducted in accordance with this Code.

Signed _____ Director

Name _____

Date _____

Signed _____ Director

Name _____

Date _____

By virtue of Section 40 of the Act, a person commits an offence if for the purposes of obtaining licence he knowingly or recklessly gives any information which is false in a material particular. Any person guilty of an offence under any provision of the Act (except Section 10(4)) shall be liable:

- (a) on summary conviction, to a fine not exceeding £5,000 or to a term of custody not exceeding 6 months, or to both;***
- (b) on conviction on information, to a fine or to a term of custody not exceeding 2 years, or to both.***