



SETTING UP A FINANCIAL CONSULTANCY/ ADVISORY FIRM IN THE UNITED ARAB EMIRATES



	ADGM	DIFC	MAINLAND UAE
Regulatory Regime	Regulated by the ADGM Financial Services Regulatory Authority (“ FSRA ”).	Regulated by the Dubai Financial Services Authority (“ DFSA ”).	Regulated by the Securities & Commodities Authority (“ SCA ”).
Regulatory Status	Prudential category 4 firm.	Prudential category 4 firm.	-
Structure	<ul style="list-style-type: none"> Private Company Limited by Shares; or Foreign Recognised Company (Branch). 	<ul style="list-style-type: none"> Private Company Limited by Shares; or Foreign Recognised Company (Branch). 	<ul style="list-style-type: none"> Sole Establishment (1 owner); or Civil company (multiple owners) with 100% ownership and a local service agent/51% ownership by Emirati national.
Permitted/ Authorised Activity	<ul style="list-style-type: none"> Advising on financial products. 	<ul style="list-style-type: none"> Advising on investments or credit. 	<ul style="list-style-type: none"> Financial Consultancy & Financial Analysis.
Mandatory Appointments & Service Providers	<ul style="list-style-type: none"> Money Laundering and Reporting Officer (must be UAE resident); Compliance Officer (must be UAE resident); Senior Executive Officer (must be UAE resident); and Finance Officer. <p>Functions of Money Laundering and Reporting Officer and Compliance Officer can be combined and outsourced.</p>	<ul style="list-style-type: none"> Money Laundering and Reporting Officer (must be UAE resident); Compliance Officer (must be UAE resident); Senior Executive Officer (must be UAE resident); and Finance Officer. <p>Functions or Money Laundering and Reporting Officer and Compliance Officer can be combined and outsourced.</p>	<ul style="list-style-type: none"> Money Laundering and Reporting/Compliance Officer (must be UAE resident); Chief Executive Officer (must be UAE resident); General Manager (must be UAE resident); and Adequate level of financial analysts (UAE resident). <p>The academic qualifications and practical experience of the General Manager, the Chief Executive Officer and the Financial Analyst shall be as follows:</p> <p>The general manager or the chief executive officer: a university degree and at least five (5) years of experience in the fields of economics or finance.</p> <p>Financial Analyst: a university degree or a recognized professional certificate and at least three (3) years of experience in the field of Financial Analysis.</p> <ul style="list-style-type: none"> The SCA may exempt the general manager or the chief executive officer from the conditions related to the academic qualifications or the required years of experience; and The Financial Analyst shall successfully pass the prescribed tests according to the controls set by the SCA.
Audit Requirement	<ul style="list-style-type: none"> External Auditors (must be ADGM approved); and Internal Auditors (can be outsourced). 	<ul style="list-style-type: none"> External Auditors (must be DFSA approved); and Internal Auditors (can be outsourced). 	<ul style="list-style-type: none"> External Auditors; and Internal Auditors.

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Professional Indemnity Insurance	Required.	Required.	Required.
Capital Requirement	Higher of: i. USD 10,000; or ii. 6/52 of the annual audited expenditure	Higher of: i. USD 10,000; or ii. 6/52 of the annual audited expenditure.	Paid up: at least USD 277,777 (AED 1,000,000)
Marketing	Marketing rules of DIFC, Mainland UAE and any other jurisdiction outside ADGM need to be adhered to if you intend to market your financial services outside ADGM.	Marketing rules of ADGM, Mainland UAE and any other jurisdiction outside DIFC need to be adhered to if you intend to market your financial services outside DIFC.	Marketing rules of ADGM, DIFC and any other jurisdiction outside Mainland UAE need to be adhered to if you intend to market your financial services outside Mainland (UAE).
Approval Process: Steps and Requirements	<p>1. Pre-Approval Stage:</p> <p>Submit first draft of the Regulatory Business Plan to the FSRA. Once initial comments are received from the FSRA, prepare for the FSRA In-Principle Approval Stage.</p> <p>2. FSRA In-Principle Approval Stage:</p> <p>(i) Submit the following documents to the FSRA:</p> <ul style="list-style-type: none"> a. Revised Regulatory Business Plan; b. Anti-Money Laundering & Counter Terrorist Finance Manual; c. Compliance Manual; d. Compliance Monitoring Programme; e. Risk Management Manual; f. Remuneration Policy; g. balances of the statement of financial position (balance sheet) from day one (1) of operations; cash flow forecasts for each month; monthly profit and loss accounts, split into income streams; forecast of capital resources versus capital requirement; and monthly statement of financial position (balance sheet); 	<p>1. Pre-Approval Stage:</p> <p>Submit first draft of the Regulatory Business Plan to the DFSA. Once initial comments are received from the DFSA, prepare for the DFSA In-Principle Approval Stage.</p> <p>2. DFSA In-Principle Approval Stage:</p> <p>(i) Submit the following documents to the DFSA:</p> <ul style="list-style-type: none"> a. Revised Regulatory Business Plan; b. Anti-Money laundering & Counter Terrorist Finance Manual; c. Compliance Manual; d. Compliance Monitoring Programme; e. Compliance & AML Training Plan; f. Risk Management Manual; g. Financial projections: quarterly cash flow forecast; quarterly profit & loss account, split into income streams; quarterly forecast of capital resources versus capital requirement; and quarterly balance sheet -commencing at the time of authorization and on a quarterly basis for each of the first three (3) financial years; 	<p>Submit the following documents to the SCA:</p> <ul style="list-style-type: none"> a. The Regulatory Business Plan; b. A copy of the Memorandum of Association and Articles of Association if the license applicant is a company established within the UAE, provided that it shall be in Arabic, attested before the official authorities, and shall contain the legal form of the license applicant; c. A copy of the license issued to the bank/ parent company by the regulatory authority in the homeland to practice the activity; d. List of other states in which the license applicant (or his parent company) practices the activity; e. The board of directors' decision clarifying the desire to practice the activity; f. A copy of the commercial license, which contains the date of the company registration; g. A copy of the payment of the SCA fees; h. A copy of the ownership or tenancy contract for the headquarters in which the activity shall be practiced; i. A certificate proving the deposit of capital in the bank (applied to the newly established companies);

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	<p>h. Business Continuity Plan;</p> <p>i. Evidence of source of funds for the company's initial capital resources (e.g. bank reference);</p> <p>j. Last audited parent and/or group company's accounts (if applicable);</p> <p>k. Financial projections: One (1) year financial projections- opining Applicable forms for the company and its individuals;</p> <p>l. Due diligence documents on the individuals of the company;</p> <p>m. Board minutes approving the establishment of the company;</p> <p>n. Copy of the company's dispute resolution mechanism in the event of any shareholder dispute;</p> <p>o. Letter of good standing from the company's home regulator (if the parent is regulated); and</p> <p>p. Copies of any committees' terms of reference.</p> <p>After receipt of the above-mentioned documents, the FSRA will conduct their initial review of the application. After completion of the initial review, an <u>"In Principle Approval"</u> will be issued to the company.</p> <p>3. Incorporation Stage: This is the stage where the company needs to get incorporated. The following documents and tasks will need to be submitted and fulfilled:</p> <p>i. Submit company incorporation application forms to the ADGM Registrar;</p> <p>ii. Secure premises;</p> <p>iii. Initiate bank account opening and deposit share capital; and</p> <p>iv. Apply for Establishment Card.</p>	<p>h. Evidence of source of funds for the company's initial capital resources (e.g. bank reference);</p> <p>i. Last audited parent and/or group company's accounts (if applicable);</p> <p>j. Applicable forms for the company and its individuals;</p> <p>k. Due diligence documents on the individuals of the company;</p> <p>l. Board minutes approving establishment of the company; and</p> <p>m. Letter of good standing from the company's home regulator (if the parent is regulated).</p> <p>After receipt of the above-mentioned documents, the DFSA will conduct their initial review of the application. After completion of the initial review, an <u>"In Principle Approval"</u> will be issued to the company.</p> <p>3. Incorporation Stage: This is the stage where the company needs to get incorporated. The following documents and tasks will need to be submitted and fulfilled:</p> <p>i. Submit company incorporation application forms to the DIFC Registrar;</p> <p>ii. Secure premises;</p> <p>iii. Initiate bank account opening and deposit share capital; and</p> <p>iv. Apply for Establishment Card.</p>	<p>j. A copy of the financial statements (if the company already exists) for the last three years or form the date of establishment, whichever is less;</p> <p>k. A copy of the following documents for each of partners / shareholders (natural persons) who own 5% or more of the capital shares:- Director, internal controller and employees who are entrusted with practicing the activity:</p> <p>1. Curriculum vitae. 2. Job description.</p> <p>The required documents according to efficiency and integrity standards:</p> <p>i. A report clarifying names of the members of the Board of Directors and Executive Management.</p> <p>ii. A statement clarifying the mechanism of separating the activity from the other licensed activities.</p> <p>iii. Work Procedures Manual.</p> <p>iv. A form of the agreement that will be concluded with customers to provide the required service.</p> <p>v. Internal Control Manual</p> <p>vi. An Operational Manual for risk management approved by the company.</p> <p>vii. Code of Professional Conduct Rules.</p> <p>viii. A statement showing the electronic programs and technical systems used for practicing the activity</p> <p>l. Copies of the service level agreements and contracts concluded with providers of technology service and electronic programs related to the activity.</p>

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	<p>4. FSRA Authorisation Stage: Submit the following documents to the FSRA:</p> <ul style="list-style-type: none"> i. Certificate of Incorporation; ii. Lease Agreement; and iii. Share capital deposit confirmation letter. <p>Upon submission of the abovementioned documents, the FSRA will issue the final license and authorize the company to carry out the respective activity in or from the ADGM.</p>	<p>4. DFSA Authorisation Stage: Submit the following documents to the DFSA:</p> <ul style="list-style-type: none"> i. Certificate of Incorporation; ii. Lease Agreement; and iii. Share capital deposit confirmation letter. <p>Upon submission of the abovementioned documents, the DFSA will issue the final license and authorize the company to carry out the respective activity in or from the DIFC.</p>	<ul style="list-style-type: none"> i. A statement signed by the chairman of the board, clarifying:- ii. A record of historical facts of the license applicant, particularly if the license applicant or any of its (subsidiaries, sister/ affiliated companies) was exposed to the refusal of licensing by one of the stock exchanges, securities authorities or the competent government authorities. iii. A statement clarifying whether the license applicant or any of the (subsidiary / sister / affiliate companies) was subjected to any judicial judgments or disciplinary or penal procedures by any of the regulatory authorities or markets.
Timeline	<p>Total timeline: Ten (10) - eleven (11) weeks.</p> <p>Breakdown of timeline: Pre-Approval Stage: One (1) weeks. In Principle Stage: Six (6) to eight (8) weeks. Incorporation Stage: One (1) week (please note that additional time for securing the lease and bank account opening should be taken into consideration). FSRA Authorisation Stage: One (1) week.</p>	<p>Total timeline: Nineteen (19) to twenty one (21) weeks.</p> <p>Breakdown of timeline: Pre-Approval Stage: Two (2) weeks. In Principle Stage: Fifteen (15) to seventeen (17) weeks (or less). Incorporation Stage: One (1) week (please note that additional time for securing the lease and bank account opening should be taken into consideration). DFSA Authorisation Stage: One (1) week.</p>	<p>Total timeline: 30 working days from the date of submitting the complete application.</p>
Taxation	N/A.	N/A.	N/A.
Regulator's, Registry's & Notary Fees	<p>FSRA Authorisation Fee: Approximately USD 5,000</p> <p>FSRA Annual Fee: Approximately USD 5,000</p> <p>Appointment fee of approved per persons: Approximately USD 500 per person</p> <p>ADGM Registration Fee: Approximately USD 15,000</p> <p>ADGM Annual Fee: Approximately USD 13,100</p>	<p>DFSA Authorisation Fee: Approximately USD 15,000</p> <p>DFSA Annual Fee: Approximately USD 15,000</p> <p>Appointment fee of approved persons: None</p> <p>DIFC Registration/Incorporation Fee: Approximately USD 20,000</p> <p>DIFC Annual Fee: Approximately USD 12,000</p>	<p>SCA Authorisation Fee: Approximately AED 6,000</p> <p>SCA Annual Fee: Approximately AED 2,500</p> <p>Minimum Cost of DED: From AED 5,000 - AED 10,000</p>

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Estimates of Certain Running Costs	<p>Outsourced CO/MLRO: USD 3,000 per month</p> <p>Data Protection Officer (not mandatory): USD 2,000 per month</p> <p>Outsourced CFO: USD 3,000 - USD 4,000 per month</p> <p>Accountant: USD 500 per month</p> <p>External Audit of Financial Statements: USD 10,000 - 20,000 annually</p> <p>Internal Audit of Policies and Process: USD 5,000 - 10,000 annually</p> <p>Professional Indemnity Insurance: USD 7,000 - 10,000 annually</p> <p>Employee Visa Cost: USD 3,517 per employee for three years</p> <p>Regus/Wework Office Lease: USD 20,000 (per annum)</p>	<p>Outsourced CO/MLRO: USD 3,000 per month</p> <p>Data Protection Officer (not mandatory): USD 2,000 per month</p> <p>Outsourced CFO: USD 3,000 - USD 4,000 per month</p> <p>Accountant: USD 500 per month</p> <p>External Audit of Financial Statements: USD 10,000 - 20,000 annually</p> <p>Internal Audit of Policies and Process: USD 5,000 - 10,000 annually</p> <p>Professional Indemnity Insurance: USD 7,000 - 10,000 annually</p> <p>Employee Visa Cost: USD 3,517 per employee for three years</p> <p>DIFC Office Lease: USD 45,000 (per annum)</p>	<p>Outsourced CO/MLRO: USD 3,000 per month</p> <p>Accountant: USD 500 per month</p> <p>External Audit of Financial Statements: USD 10,000 - 20,000 annually</p> <p>Internal Audit of Policies and Process: USD 5,000 - 10,000 annually</p> <p>Professional Indemnity Insurance: USD 7,000 - 10,000 annually</p> <p>Employee Visa Cost: USD 1,600 per employee for two years</p> <p>Office Lease: Depends upon the area, Downtown Dubai ranges from AED 135 - 170 per sqft annually</p>

GENEVA

BANKING & CORPORATE
FINANCE LAW FIRM

Ave de la Gare des Eaux-Vives
28, CH-1208 Geneva,
Switzerland

DUBAI

STRUCTURING
ADVISORY FIRM

Central Park Offices
Office 15-32
Dubai International
Financial Centre
Dubai, UAE

MALTA

REGULATORY
ADVISORY FIRM

Swiss Urban Factory
The Regulatory Suite
5, Saint Frederick Street
Valletta, VLT 1470, Malta

ABU DHABI

LEGAL CONSULTANCY

Al Sila Tower
Office 2435
Al Maryah Island,
Abu Dhabi Global
Market Square
Abu Dhabi, UAE

Regulatory Finance & Insurance
Capital Markets, Private Equity & M&A
Corporate & Commercial
Reputation Management, Cyber Crime &
Data Protection
White Collar Crime
AI & Innovative Technologies