



## **QFC Regulatory Authority implements changes to the Controller Framework for Authorised Firms**

**Doha, Qatar, 2 February 2014:** The QFC Regulatory Authority today announced the implementation of rule changes relating to significant ownership positions in QFC authorised firms, following the approval of the rules by the Board of the QFC Regulatory Authority.

The new rules came into effect on 1 February 2014. The implementation follows a period of consultation with industry in the fourth quarter of 2013, during which the QFC Regulatory Authority issued a consultation paper seeking input on the proposed changes to update and strengthen the rules.

[Click here](#) to go directly to the new rules for the Controller Framework for QFC authorised firms. The rules can also be accessed via [www.qfcra.com](http://www.qfcra.com)

This initiative supports the QFC Regulatory Authority's ongoing commitment to meet high international regulatory standards, and supports the continued development of the QFC as a leading financial and business centre in the region.

### **Controller Framework for QFC Authorised Firms**

The amendments are to the General Rules (GENE) and include the following:

- **controller band threshold approval** - introducing thresholds for the approval of controller shareholding, based on fitness and propriety and the financial capability of the shareholder. The proposed thresholds are:
  - 10%;
  - exceeding 24% but not more than 49%;
  - exceeding 49% but not more than 74%; and
  - exceeding 74%;
- **letter of comfort** - requirements for significant controller shareholders crossing a 49% or 74% shareholding threshold to provide a 'letter of comfort' to the QFC Regulatory Authority; confirming the shareholders' capability and willingness to support the firm;
- **systems, controls and reports** - requirements for authorised firms to submit particular reports and maintain systems and controls which allow the firm to:
  - monitor controller shareholder positions;
  - make required applications for approval; and
  - prevent shareholding increases across band thresholds from being registered without approval from the QFC Regulatory Authority.

These proposals are relevant to all QFC authorised firms and any firms considering doing business in the QFC.

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



QATAR FINANCIAL CENTRE

**REGULATORY  
AUTHORITY**

The QFC Regulatory Authority is an independent regulatory body established by Article 8 of the QFC Law. It regulates firms that conduct financial services in or from the QFC. It has a broad range of regulatory powers to authorise, supervise and, when necessary, discipline firms and individuals. The QFC Regulatory Authority regulates firms using principle-based legislation of international standard, modelled closely on that used in major financial centres. Further details are available at [www.qfcra.com](http://www.qfcra.com)

**About the Qatar Financial Centre**

The Qatar Financial Centre (QFC) is a financial and business centre established by the Government of Qatar and located in Doha. It has been designed to attract international financial services institutions and major multi-national corporations and to encourage participation in the growing market for financial services in Qatar and elsewhere in the region. The QFC operates to international standards and provides a first class legal and business infrastructure for those doing business within the QFC. The QFC was created by QFC Law No.(7) of Qatar and has been open for business since 1 May 2005.

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