



Consultation Paper

AFSA-P-CE-2023-0007

in continuation of
Consultation Paper
AFSA-P-CE-2023-0004

Revised Proposed Amendments to AIFC Fees Rules

Unrestricted

November 2, 2023

Introduction

Why are we issuing this Consultation Paper (CP)?

1. The Astana Financial Services Authority (AFSA) has issued this Consultation Paper to continue to seek suggestions from the market on the reconsidered proposals regarding the AIFC Fees Rules in continuation of its proposals published in Consultation Paper AFSA-P-CE-2023-0004. The AFSA gives due consideration to the public consultations comments. Given the market feedback to the previous proposals and the resulting revisions to the previous proposals, the AFSA considers it appropriate to undertake further public consultation on these proposals.

Who should read this CP?

2. The proposals in this paper will be of interest to current and potential AIFC participants who are interested in exercising business activities in or from the AIFC.

Terminology

3. Defined terms have the initial letter of the word capitalised, or of each word in a phrase. Definitions are set out in the AIFC Glossary ([GLO](#)). Unless the context otherwise requires, where capitalisation of the initial letter is not used, the expression has its natural meaning.

What are the next steps?

4. We invite comments from interested stakeholders on the proposed framework. All comments should be in writing and sent to the address or email specified below. If sending your comments by email, please use “Consultation Paper AFSA-P-CE-2023-0007” in the subject line. You may, if relevant, identify the organisation you represent when providing your comments. The AFSA reserves the right to publish, including on its website, any comments you provide, unless you expressly request otherwise. Comments supported by reasoning and evidence will be given more weight by the AFSA.
5. The deadline for providing comments on the proposed framework is **2 December 2023**. Once we receive your comments, we shall consider if any refinements are required to this proposal.
6. Comments to be addressed by post:
Policy and Strategy Division
Astana Financial Services Authority (AFSA)
55/17 Mangilik EI, building C3.2, Kazakhstan

or emailed to: consultation@afsa.kz

Structure of this CP

- Part I – Background;
- Part II – Key proposals;
- Part III – Questions in this consultation paper;
- Annex 1 – Draft Amendments to AIFC Fees Rules (new amendments are colored in red).

Part I - Background

7. On 11 August 2023, the AFSA released [Consultation Paper AFSA-P-CE-2023-0004](#) on proposed amendments to AIFC Fees Rules for public comment. The consultation period closed on 15 September 2023, and we received various external comments and queries from a wide range of interested parties. The AFSA is grateful to all those who have contributed to the consultation process.
8. The AFSA has considered the feedback and now is consulting on the revised proposals on application, supervision fees and other fees payable by AIFC Participants.
9. As was previously communicated, in making any changes to its fee regime, the AFSA remains committed to careful consideration of the impact of any potential fee change on the supervised (and potential supervised) entities.
10. Having said that, the AFSA, being a risk based financial services regulator, is also of the view that these proposals appropriately reflect resource impact of the growth in the scope and the scale of the maintenance of the AFSA's regulatory objectives.
11. The proposals include:
 - a) annual supervision fee for Operators of a Multilateral or Organised Trading Facility;
 - b) annual supervision fee for Operators of a Digital Asset Trading Facility;
 - c) annual supervision fee for FinTech Lab Participants;
 - d) annual supervision fee for Operators of a Clearing House;
 - e) annual recognition fee for a Recognised Clearing House;
 - f) annual recognition fee for a Recognised Non-AIFC Member;
 - g) fees to be charged in case of combining different types of activities;
 - h) other fees payable to the AFSA; and
 - i) other fees payable to the Registrar of Companies.
12. The proposed amendments are expected to be enacted on 1 January 2024.

Part II - Key proposals

Annual supervision fees for MTF/OTF Operators

13. The AFSA has developed 2 possible approaches:

Option 1

14. Option 1 is to keep the currently applied approach to supervision fee (fixed fee of 3 000 USD and variable fee of 0.0006% of ADTV).

15. The AFSA suggests clarifying the way of calculation of the trading levy. The current AFSA approach is to calculate the variable fee based on the quarterly volumes, i.e., the average daily trading value is multiplied by the number of active trading days in quarter.

Option 2

16. Option 2 is to keep the currently applied approach to supervision fee (fixed fee of 3 000 USD and variable fee of 0.0006% of ADTV) but introduce the minimum threshold for charging the variable part of the annual supervision fee:

- fixed fee – 3 000 USD; and
 - *variable fee calculated on a quarterly basis:*
 - *where the average daily trading value is less than 500 000 USD, is not applicable;*
 - *where the average daily trading value is more than 500 000 USD:*
 - *trading levy of 0.0006% of the average daily trading value; or*
 - *2 500 USD,*
- whichever is greater.*

17. Meanwhile, in order to encourage firms to grow, the AFSA is proposing to set one of the following additional thresholds for annual variable fee:

- a) the maximum threshold for the annual variable fee of 700 000 USD; **or**
- b) trading levy of 0.0003% of ADTV on ADTV in excess of the threshold of 500 million USD.

18. This option ensures that the expenses borne by Operators of MTF or OTF would be proportionate to their trading value, while introduction of the minimum threshold would allow the AFSA to cover its regulatory costs. In terms of the additional thresholds, it is proposed to set the fixed maximum threshold, as this may be more cost-effective for firms in the long-term perspective in comparison with paying the reduced trading levy rate.

19. Also, it is proposed to include the guidance on how the variable fee is calculated, as provided in Option 1.

Option 3

20. In addition to the existing fixed fee of 3 000 USD, it is proposed to introduce the table of variable fees based on the trading value of MTF/OTF Operators.

Average daily trading value	Variable fee
Less than 500 000 USD	-
500 000 USD or more and less than 1 million USD	10 000 USD
1 million USD or more and less than 10 million USD	50 000 USD
10 million USD or more and less than 50 million USD	100 000 USD
50 million USD or more and less than 150 million USD	200 000 USD
150 million USD or more and less than 350 million USD	400 000 USD
350 million USD and more	700 000 USD

Notes:

1. The amounts given in the second column of the table indicate the annual variable fees.
2. Variable fee is calculated on a quarterly basis by pro-rating the annual variable fee, that would have been payable based on the average daily trading value, for the relevant quarter.

As such, the amount of the variable fee payable each quarter may vary depending on the average daily trading value of that quarter.

Example:

- a. Average daily trading value of a firm is 450 000 USD in quarter 1, the variable fee will not be applied in quarter 1;
- b. Average daily trading value of a firm is 500 000 USD in quarter 2, the variable fee will be 2 500 USD for quarter 2;
- c. Average daily trading value of a firm is 5 million USD in quarter 3, the variable fee will be 12 500 USD for quarter 3;
- d. Average daily trading value of a firm is 10 million USD in quarter 4, the variable fee will be 25 000 USD for quarter 4.

Thus, the firm must pay 40 000 USD as the variable fee for that year.

3. Variable fee is paid quarterly.
 4. The AFSA does not invoice the variable fee in excess of 700 000 USD in one year.
21. This option would ensure ease of calculation and transparency in terms of the annual supervision fees to be paid, which will allow firms to forecast future costs. Also, this approach would still allow firms with ADTV less than 500 000 USD to grow their business first without being required to pay the variable fee.

Annual supervision fees for DATF Operators

22. The AFSA is proposing applying similar approaches to DATF Operators.

Option 1

23. Option 1 is to reduce the currently applied fixed fee (35 000 USD) and introduce the variable fee with the minimum threshold:
- fixed fee – 25 000 USD; and
 - variable fee calculated on a quarterly basis:
 - a. where the average daily trading value is less than 500 000 USD, is not applicable;
 - b. where the average daily trading value is more than 500 000 USD:
 - i. trading levy of 0.0006% of the average daily trading value; or
 - ii. 5 000 USD,
 whichever is greater.

24. Meanwhile, in order to encourage firms to grow, the AFSA is proposing to set the maximum threshold for the annual variable fee of 1 000 000 USD.
25. Option 1 ensures that the expenses borne by Operators of MTF or OTF would be proportionate to their trading value, while introduction of the minimum threshold would allow the AFSA to cover its regulatory costs. Meanwhile, the fixed maximum threshold would encourage firms to grow.
26. Furthermore, the approach outlined in Option 1 might be favorable for DATF Operators noting that the following may cause additional costs:
- a) the DATF business model adopted by most platform operators requires carrying on the Regulatory Activity of Providing Custody; and
 - b) the established scope of services of DATF operating in or outside the AIFC covers other activities, including Managing Investments, Advising on Investments and other services.

Option 2

27. It is proposed to reconsider the fixed amount of the supervision fee formula and introduce the table of variable fees based on the trading value of DATF Operators:
- fixed fee – 25 000 USD; and
 - variable fee:

Average daily trading value	Variable fee
Less than 500 000 USD	-
500 000 USD or more and less than 1 million USD	20 000 USD
1 million USD or more and less than 5 million USD	25 000 USD
5 million USD or more and less than 10 million USD	35 000 USD
10 million USD or more and less than 20 million USD	45 000 USD
20 million USD or more and less than 50 million USD	90 000 USD
50 million USD or more and less than 80 million USD	150 000 USD
80 million USD or more and less than 150 million USD	250 000 USD
150 million USD or more and less than 350 million USD	550 000 USD
350 million USD or more	1 000 000 USD

Notes:

1. The amounts given in the second column of the table indicate the annual variable fees.
2. Variable fee is calculated on a quarterly basis by pro-rating the annual variable fee, that would have been payable based on the average daily trading value, for the relevant quarter.

As such, the amount of the variable fee payable each quarter may vary depending on the average daily trading value of that quarter.

Example:

- a. Average daily trading value of a firm is 450 000 USD in quarter 1, the variable fee will not be applied in quarter 1;
- b. Average daily trading value of a firm is 500 000 USD in quarter 2, the variable fee will be 5 000 USD for quarter 2;
- c. Average daily trading value of a firm is 5 million USD in quarter 3, the variable fee will be 8 750 USD for quarter 3;
- d. Average daily trading value of a firm is 10 million USD in quarter 4, the variable fee will be 11 250 USD for quarter 4.

Thus, the firm must pay 25 000 USD as the variable fee for that year.

3. Variable fee is paid quarterly.
 4. The AFSA does not invoice the variable fee in excess of 1 000 000 USD in one year.
28. This option would ensure ease of calculation and transparency in terms of the annual supervision fees to be paid, which will allow firms and the AFSA to forecast future costs and income.

Annual supervision fees for FTL Participants

29. In August the AFSA made the proposal to start charging the full amount of the fees corresponding to relevant Regulated and/or Market Activities the FTL Participant is licensed to carry on. The rationale for such amendments was to encourage firms to grow their business and migrate to full authorisation after expiration of their FinTech licences.
30. Following consideration of comments received during the public consultations, the AFSA is proposing to start charging a full supervision fee after 2 years of being in the FinTech Lab.
31. Relevant amendments are proposed to be made in table 8.4 of Schedule 8 on "Supervision fees payable to the AFSA by the FinTech Lab Participants".

Annual supervision fees for Operators of Clearing Houses

32. The AFSA has also received comments on the proposed amendments to the calculation formula of the annual supervision fees for Operators of Clearing Houses, which implies including the Clearing value fee.
33. Following consideration of comments of market participants, the AFSA is proposing to specify that the clearing value fee will be applicable to Clearing Houses acting as Central Counterparties:

$$SF=FF+SVF+DVF+\underline{CVE},$$

where

SF – Supervision fee

FF – Fixed fee, which is 15 000 USD (paid annually)

SVF – Settlement value fee (excluding On-Exchange Trades on Secondary Market), calculated as 0.001% of settlement volume (paid quarterly)

DVF – Depository value fee, calculated as 0.00005% of depository value (paid quarterly)

CVF – Clearing value fee, calculated as 0.001% of clearing value, applicable only to an Operator of a Clearing House acting as a Central Counterparty (paid quarterly)

34. Additionally, it is proposed to exempt a Clearing House, which carries on the clearing or settlement functions for the trading facility in its Group, including an Investment Exchange, Multilateral or Organised Trading Facilities from payment of clearing and clearing value fees.

Annual recognition fees for Recognised Non-AIFC Market Institution operating as a Clearing House

35. It is proposed to align the approach on the annual recognition fee payable by a Recognised Non-AIFC Clearing Houses with the proposals made to the annual supervision fee for an Authorised Clearing House.

36. The annual recognition fee for such Recognised Non-AIFC Clearing House would be as follows:

- a. Fixed fee – 15,000 USD, and
- b. Variable recognition fee: 0.001% of settlement value + 0.00005% of depository value + 0.001% of clearing value generated for Authorised Market Institutions, Multilateral or Organised Trading Facilities.

Meanwhile, clearing value will be applicable to a Clearing House acting as a Central Counterparty.

37. In accordance with the approach above, it is proposed to exempt a Recognised Non-AIFC Clearing House, which carries on the clearing or settlement functions for the trading facility in its Group from payment of clearing and clearing value fees.

Annual recognition fees for Recognised Non-AIFC Members

38. Current formula for calculation of the annual recognition fee for a Recognised Non-AIFC Member (RNAM) refers to its membership in an Authorised Investment Exchange. Meanwhile, MTF/OTF and DATF Operators may also admit RNAMs to trading, which is not reflected in FEES.

39. Also, as the variable part of the annual recognition fee for RNAMs depends on the annual trading value but is charged quarterly, the AFSA received a proposal to clarify the quarterly trading value in the fee formula.

40. It is therefore proposed to amend the annual recognition fee as follows:

- For Recognised Non-AIFC Members that are admitted to trading by an Authorised Investment Exchange, Multilateral or Organised Trading Facility or Digital Asset Trading Facility: calculated according to formula 1 below;

$$RF = FF + TVF,$$

where

RF – Annual recognition fee

FF – Fixed fee, which is 1 000 USD pro-rated over a calendar year

TVF – Trading value fee, calculated as 0.001% of trading value ~~in one year~~, applicable only to Recognised Non-AIFC Members admitted to trading by Operator of an Investment Exchange, Multilateral or Organised Trading Facility or Digital Asset Trading Facility, whose trading volume is over ~~400~~ 25 million USD per quarter on each trading platform;

- For Recognised Non-AIFC Members that are not admitted to trading by an Authorised Investment Exchange, Multilateral or Organised Trading Facility or Digital Asset Trading Facility, or whose trading value is lower than ~~400~~ 25 million USD per quarter on each trading platform: a fixed amount of 1 000 USD pro-rated over a calendar year.

Combination of activities

Application fees in case of combination of activities

41. Earlier the AFSA proposed to introduce additional criteria when calculating the application fees payable by firms planning to combine more than one activity in its licence: to charge application fees for the activities of Operating an Exchange, Operating a Clearing House, Operating a DATF or Operating an MTF/OTF in full.
42. In order to clearly outline the calculation method based on the approach above, it is proposed to add clarifying revisions on the application fees payable by firms for initial licence in case of conducting multiple activities in Notes on fees for initial application in Schedules 1 and 2 of FEES.

Supervision fees in case of combination of activities

43. The AFSA is proposing to apply the following approach when charging the supervision fee from a firm combining more than one activity in its licence:
 - The highest supervision fee, plus
 - 50% of fees with regard to each additional activity.
44. Meanwhile, relevant fees for the activities of Operating an Exchange, Operating a Clearing House, Operating a DATF or Operating a MTF/OTF would be charged in full.
45. However, it was not clear for some market participants, whether these five distinguished types of activities would be excluded from the formula of defining the highest supervision fee. It is therefore proposed to amend FEES 3.1.6. “Combination of activities” and specify that the listed activities would be charged separately and not taken into account when calculating the supervision fees according to the formula above.

Other fees payable to the AFSA

46. During the consultation period there have been additional proposals raised internally and externally.

Additional fees in relation to Digital Assets

47. One of the issues raised during the consultation period was related to the higher risks associated with supervising firms conducting Regulated or Market Activities in relation to Digital Assets. The increased regulatory burden arising from overseeing such activities results in excess costs borne by the AFSA.
48. The AFSA is proposing to introduce the application and supervision fees of 5 000 USD and 3 000 USD, respectively, for AIFC Participants conducting Regulated Activities in relation to Digital Assets. Relevant amendments are proposed to be captured in Rule 1.1-1 of Schedule 1 and Rule 6.1-1 of Schedule 6 of FEES.

Supplementary fees in case of particular supervisory events

49. Based on its prior supervisory experience, the AFSA has identified that there are applications or supervisory events not regarded as regular and are therefore outside the scope of general supervisory activities. Thus, such events may require additional significant resources to process and complete. Considering that these are standalone events, it would not be appropriate to include them in the annual supervision fee. It is proposed to assign supplementary fees payable on a particular supervisory event. In addition, it is also proposed to provide applicants with an opportunity to give their views on the decision of the AFSA or Register of Companies on the supplementary fee.
50. The main point of having the supplementary fee for supervisory events is to enable AFSA to cover the costs it incurs. It is not intended as a general revenue-raising measure or for the AFSA to make a profit from the particular case.
51. The provision is proposed to be included in Chapter 6 of FEES “Supplementary fees”.

Application fees for modification of a Licence

52. When a firm applies for modifying its licence, the AFSA charges the difference between the application fee for the new activity(s) and the application fee paid at the authorisation stage.
53. To be consistent with the approach to charging application fees in case of multiple activities, it is proposed to charge the highest application fee corresponding to the additional activities a firm is applying for. The relevant amendments will be reflected in Schedules 1 and 2 on application fees payable by Authorised Firms and Authorised Market Institutions.
54. Also, as discussed earlier, the activities of Operating an Exchange, Operating a Clearing House, Operating a DATF or Operating a MTF/OTF are not taken into account when calculating the application fee. The said activities would not therefore be included in calculations when defining the fee for modification of a licence. This approach would be applied in both cases, when: (a) a firm is seeking to obtain a Licence to carry on one or more of the activities mentioned above, or (b) a firm already performs functions corresponding to the activities under its current Licence. Relevant amendments are to be made in tables 1.2 on “Application fees for modification and withdrawal of a Licence or

Approved Individual's registration" in Schedules 1 and 2 on application fees payable for Regulated and Market Activities, respectively.

Application fees for change of control

55. The AFSA receives numerous applications on change of control, while no relevant fees are captured in FEES.
56. Consideration of such applications may require significant additional AFSA resources, as the majority of applications are complex cases that require conducting thorough analysis and due diligence, as well as engaging profile divisions. Repetitive reviews of applications is also usually required.
57. Noting the above, the AFSA proposes to charge 1 000 USD for reviewing applications on change on control.
58. The new amendments are proposed to be included in Schedules 1 and 2 of FEES outlining the application fees payable by Authorised Firms and Authorised Market Institutions.

Application fees for changes to Fund Documentation

59. The AFSA receives numerous applications on change of Fund Documentation (Constitution and Offering Materials), while no relevant fees are captured in FEES.
60. The AFSA proposes to introduce the fee for making changes in the Fund's Constitution and Offering Materials for Non-Exempt Funds only. The amount of the fee is suggested to be 500 USD. Introduction of the fee is considered reasonable noting the type of clients engaged in operations of such Funds (Retail Clients).
61. The new amendments are proposed to be included in FEES 9 ("Other fees") and Schedule 9.

Application fees for approval or modification of an Approved Individual's status

62. The AFSA receives numerous applications for modifying the Approved Individual status. The current fee (200 USD, Schedules 1 and 2 of FEES) does not correspond to the workload caused by reviewing the applications, which also often implies engaging other divisions for conducting detailed due diligence.
63. Noting the amount of application received and complexity of certain cases, the application fee for modification of the Approved Individual's status is proposed to be reconsidered and increased to 300 USD.
64. In order to maintain a uniform approach at the authorisation and supervision stages, it is also proposed to increase the application fee for approving Approved Individual's status at the authorisation stage to 300 USD, as well.

Migration fees from FTL to full authorisation

65. Current version of FEES does not fully reflect the AFSA's approach on what the application and further supervision fees should be payable to the AFSA by firms migrating from the FinTech sandbox regime to full authorisation.
 - a. FEES provisions do not capture the newly proposed approach on application fees payable in case of combination of Regulated and Market Activities, which distinguishes certain types of activities. Relevant amendments have been made to

table 8.3 of Schedule 8 of FEES on “Migration fees to full authorisation” to address the scenario.

- b. Noting that firms usually graduate from the FinTech sandbox throughout the year and FTL supervision fees for that year have already been paid, FEES are silent on how further supervision fee should be calculated. It is therefore proposed to extend the approach and calculation principle applied to the migration fee. Thus, once a FTL participant is granted a full licence, it should pay the difference between the annual supervision fee already paid for its time being in the FinTech Lab and the initial annual supervision fee applicable to the participant with a full licence.

Other fees payable to the Registrar of Companies

Application fees in respect of waivers and/or modifications

66. Current legislation does not provide for charging fees for reviewing applications on granting a waiver or modification. Meanwhile, the assessment of applications requires deep legislation analysis and may take up to 1 month.
67. As FEES contain Chapter 2 listing regular application fees payable to the Registrar of Companies, it is proposed to introduce a new provision (Rule 2.7) allowing the Register of Companies to determine the fees in respect of waivers and/or modifications.

Application fees for transfer of incorporation to/from AIFC

68. The transfer of incorporation is a complicated process which requires long time for consideration and thorough assessment of the firm. The overall re-domiciliation process may take from 1 to 9 months. No relevant fee is captured in FEES.
69. Noting the complexity of the process, it is proposed to introduce an application fee for transfer of incorporation of Companies or Partnerships to/from the AIFC in the amount of 3 000 USD. The amendments will be reflected in FEES Rule 2.1.2 “Application fees payable to the Registrar of Companies in respect of a Foreign Company” and Schedule 5 “Fees payable to the Registrar of Companies”.

Part III - Questions in this consultation paper

1. Are there any comments on or concerns related to the proposed amendments? Is the level of the proposed fees considered to be appropriate? If not, what alternative is suggested?
2. What are your views on the proposed options for the supervision fee for Operators of a Multilateral or Organised Trading Facilities? What approach in relation to the revised variable fee seems appropriate?
3. What are your views on the proposed options for the supervision fee for Operators of a Digital Asset Trading Facilities? What approach in relation to the revised variable fee seems appropriate?
4. Do you find the clarifications on how the AFSA will charge the application and supervision fees for firms combining more than one Regulated or Market Activities, both Regulated and Market Activities, FinTech Activities clear?

- 5. Do you agree with the proposed additional application and supervision fees for firms carrying on Regulated Activities in relation to Digital Assets?**
- 6. What are your views on the proposals to introduce other new fees?**

Proposed amendments to the AIFC Fees Rules

In these Rules, the underlying indicates a new text and the strikethrough indicates a removed text

(...)

1. APPLICATION FEES PAYABLE TO THE AFSA

1.2.2-1. Combination of activities

- (a) An applicant seeking to conduct more than one Regulated and/or Market Activities must pay to the AFSA the highest of the corresponding application fees in Schedule 1 and/or Schedule 2.
- (b) An applicant seeking to conduct the Regulated Activities of Operating a Digital Asset Trading Facility, Operating a Multilateral Trading Facility or Operating an Organised Trading Facility must pay to the AFSA an application fee specified in the fees table in Schedule 1 in full.
- (c) An applicant seeking to carry on the Market Activities of Operating an Investment Exchange or Operating a Clearing House must pay to the AFSA an application fee specified in the fees table in Schedule 2 in full.

(...)

2. APPLICATION AND OTHER FEES PAYABLE TO THE REGISTRAR OF COMPANIES

(...)

2.1.2. Application fees payable to the Registrar of Companies in respect of a ~~Foreign~~ Company or Partnership incorporated outside the AIFC

An applicant on behalf of a ~~Foreign~~ Company or Partnership incorporated outside the AIFC seeking recognition as a Recognised Company or Partnership or continuation in order to carry on business in the AIFC and applying for a ~~Certificate~~ relevant certificate of, must pay to the Registrar of Companies the application fees specified in Schedule 5.

(...)

2.1.3. Application fees payable to the Registrar of Companies in respect of transfer of incorporation from the AIFC

A Company or Partnership registered in the AIFC seeking to transfer its incorporation from the AIFC must pay to the Registrar of Companies the application fee specified in Schedule 5.

(...)

2.7. Application fees payable to the Registrar of Companies in respect of waivers and/or modifications

An applicant seeking decision of the Registrar of Companies on waiver and/or modification under the Companies Regulations, must pay the fee prescribed by the Registrar of Companies from time to time.

(...)

3. ANNUAL SUPERVISION FEES PAYABLE TO THE AFSA

(...)

3.1.5. Subsequent annual supervision fees

- (a) A standard annual supervision fee must be paid for any period of regulation after the period described in FEES 3.1.4.
- ~~(b) The standard annual supervision fee is:~~
 - ~~(a) the highest of the fees specified in the fees table corresponding to the activities which the relevant entity is licensed to carry on.~~
 - ~~(ii) [intentionally omitted].~~

3.1.6. Combination of activities

- (a) An Authorised Person licensed to conduct more than one Regulated and/or Market Activities, other than specified in (b) and (c), must pay to the AFSA:
 - (i) the highest of the supervision fees specified in the fees table corresponding to the activities which the relevant entity is licensed to carry on; plus
 - (ii) 50% of the supervision fees specified in the fees table corresponding to each additional activity which the relevant entity is licensed to carry on.
- (b) An Authorised Person licensed to carry on the Regulated Activities of Operating a Digital Asset Trading Facility, Operating a Multilateral Trading Facility or Operating an Organised Trading Facility must pay to the AFSA an annual supervision fee specified in the fees table in Schedule 6 in full.
- (c) An Authorised Market Institution licensed to carry on the Market Activities of Operating an Investment Exchange or Operating a Clearing House must pay to the AFSA an annual supervision fee specified in the fees table in Schedule 6 in full.

(...)

6. SUPPLEMENTARY FEES

6.1.4. ~~AFSA and the Registrar of Companies~~ may require supplementary fees in certain cases

6.1.1. ~~The AFSA and the Registrar of Companies may require an Authorised Firm a Person, AIFC Participant or applicant, to pay a supplementary fee to the AFSA or the Registrar of Companies in circumstances where it expects to incur substantial additional costs~~ are expected to be incurred when in dealing with an application, or conducting ongoing supervision or dealing with a particular supervisory event.

6.1.2. ~~In such cases case of application~~ the AFSA or the Registrar of Companies will notify the applicant as soon as reasonably practicable that a supplementary fee is likely to be may be required, in order that the applicant may make an informed decision as to whether to make representations, withdraw or modify its application.

6.1.3. If a supplementary fee is required, the AFSA or the Registrar of Companies will notify the client Person, AIFC Participant or applicant as soon as reasonably practicable of the amount of the

supplementary fee. The Person, AIFC Participant or applicant must pay the supplementary fee within the period specified in the notification.

6.1.4. The AFSA may issue guidance on supplementary fees required from AIFC Participants when conducting ongoing supervision or dealing with a particular supervisory event.

(...)

8. FINTECH LAB FEES

(...)

8.1.2-1. Application fees for modification of a Licence

In accordance with FINTECH 2.5.2, a FinTech Lab Participant, which intends to change the scope of its Licence, must pay to the AFSA the application fees specified in Schedule 8.

(...)

8.2. Supervision fees payable to the AFSA by the FinTech Lab Participants

1. A FinTech Lab Participant must pay to the AFSA the supervision fee specified in Schedule 8.
2. A FinTech Lab Participant, which applies to extend the Licence, must pay to the AFSA the supervision fee specified in accordance with FEES 3.

8.2-1. Supplementary fees

A FinTech Lab Participant or an applicant seeking to Test and/or Develop the FinTech Activities within the FinTech Lab must pay to the AFSA a supplementary fee required by the AFSA in accordance with FEES 6.

(...)

9. Other FEES

(...)

9.3. Application to make amendments to the Constitution or Offering Materials of a Non-Exempt Fund

A Domestic Fund Manager seeking to make amendments to the Constitution or Offering Materials of a Non-Exempt Fund must pay to the AFSA the application fee specified in Schedule 9.

(...)

SCHEDULE 1: APPLICATION FEES PAYABLE TO THE AFSA FOR REGULATED ACTIVITIES

(...)

1.1-1 Application fee in relation to Digital Assets

An applicant seeking to conduct Regulated Activities in relation to Digital Assets must pay to the AFSA an additional application fee in the amount of 5 000 USD.

(...)

1.2 Application fees for modification and withdrawal of a Licence or Approved Individual's registration

Application to Modify	Fee (USD)*
Modification of an Authorised Firm's Licence	<p>(a) An application fee equal to the difference between:</p> <p>(i) (a) the application fee which would be payable under table 1.1 of Schedule 1 or table 1.1 of Schedule 2 of FEES if it were an applicant for a Licence in terms of currently being sought; and</p> <p>(ii) (b) the application fee which was paid or would be payable under table 1.1 of Schedule 1 or table 1.1 of Schedule 2 of FEES if it were an applicant for a Licence in terms of that currently held.</p> <p><u>(a) An application fee equal to the highest of the corresponding application fees payable under table 1.1 of Schedule 1 or table 1.1 of Schedule 2 of FEES for additional activities.</u></p> <p><u>(b) An Authorised Firm applying to the AFSA to change the scope of its Licence and seeking to conduct the Regulated Activities of Operating a Digital Asset Trading Facility, Operating a Multilateral Trading Facility or Operating an Organised Trading Facility must pay to the AFSA an application fee specified in the fees table above in full.</u></p> <p><u>(c) An Authorised Firm applying to the AFSA to change the scope of its Licence and seeking to carry on the Market Activities of Operating an Investment Exchange or Operating a Clearing House must pay to the AFSA an application fee specified in the fees table in Schedule 2 in full.</u></p> <p><u>(d) An Authorised Firm applying to the AFSA to change the scope of its Licence and seeking to carry on the Regulated Activities in respect of Digital Assets must pay to the AFSA an application fee specified in 1.1-1 of Schedule 1 of FEES above in full.</u></p> <p><u>(e) For the avoidance of doubt, the formula in (a) does not apply to the activities specified in (b), (c) and (d).</u></p>

Modification of an Approved Individual's registration	200 <u>300</u>
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(...)

Notes

Fees for initial application — firm to conduct one or more Regulated Activities, or Regulated and Market Activities

An applicant seeking authorisation to conduct one or more Regulated Activities, or Regulated and Market Activities, specified in the fees tables must pay:

- (a) the fee specified for the Regulated Activity in the table above (or, if the applicant intends to carry on more than one Regulated Activity, or Regulated and Market Activities, ~~the highest fee specified in the table for any of those Regulated Activities~~ in accordance with FEES 1.2.2-1); and
- (b) the ~~fee amount of 200 USD~~, for each individual for whom Approved Individual status is sought, specified below; and
- (c) if the applicant intends to carry on Regulated Activities in respect of Digital Assets, the fee specified in 1.1-1 above.

Application fee for Approval of Individuals

An Authorised Firm submitting applications on behalf of additional individuals seeking Approved Individual status must pay an application fee in the amount of ~~200~~ 300 USD in respect of each additional Approved Individual application.

Application fee for change of control

An Authorised Firm applying for change of control must pay to the AFSA an application fee in the amount of 1 000 USD.

(...)

SCHEDULE 2: APPLICATION FEES PAYABLE TO THE AFSA FOR MARKET ACTIVITIES

1.1 Application fees for applying for Licence to carry on Market Activities

Application fees are determined by the Market Activities the Authorised Person conducts or intends to conduct, as set out below:

Application fee by activities	Fee (USD)
Operator of a Clearing House	125 000; <u>and</u> <u>an additional application fee in the amount of 5 000 USD if intends to clear Security Tokens and have Direct Access Members</u>
Operator of an Investment Exchange	125 000; <u>and</u>

	<u>an additional application fee in the amount of 5 000 USD if intends to trade Security Tokens and have Direct Access Members</u>
--	--

(...)

1.2 Application fees for modification and withdrawal of a Licence or Approved Individual's registration

Application to Modify	Fee (USD)*
Modification of an Authorised Market Institution's Licence	<p>(a) An application fee equal to the difference between:</p> <p>(i) (a) the application fee which would be payable under table 1.1 of Schedule 2 or table 1.1 of Schedule 1 of FEES if it were an applicant for a Licence in terms of currently being sought; and</p> <p>(ii) (b) the application fee which was paid or would be payable under table 1.1 of Schedule 2 or table 1.1 of Schedule 1 of FEES if it were an applicant for a Licence in terms of that currently held.</p> <p><u>(a) An application fee equal to the highest of the corresponding application fees for additional activities payable under table 1.1 of Schedule 2 or table 1.1 of Schedule 1 of FEES.</u></p> <p><u>(b) An Authorised Market Institution applying to the AFSA to change the scope of its Licence and seeking to carry on the Market Activities of Operating an Investment Exchange or Operating a Clearing House must pay to the AFSA an application fee specified in the fees table in Schedule 2 in full.</u></p> <p><u>(c) An Authorised Market Institution applying to the AFSA to change the scope of its Licence and seeking to conduct the Regulated Activities of Operating a Digital Asset Trading Facility, Operating a Multilateral Trading Facility or Operating an Organised Trading Facility must pay to the AFSA an application fee specified in the fees table above in full.</u></p> <p><u>(d) For the avoidance of doubt, the formula in (a) does not apply to the activities specified in (b) and (c).</u></p>

Modification of an Approved Individual's registration	200 <u>300</u>
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(...)

Notes

Fees for initial application — firm to conduct one or more Market Activities, or Market and Regulated Activities

An applicant seeking authorisation to conduct one or more Market Activities, or Market and Regulated Activities, specified in the fees table must pay:

- (a) the fee specified for the Market Activity in the table above (or, if the applicant intends to carry on more than one Market Activity, ~~or Market and Regulated Activities, the highest fee specified in the table for any of those Market Activities in accordance with FEES 1.2.2-1~~); and
- (b) the ~~fee amount of 200 USD~~, for each individual for whom Approved Individual status is sought, specified below.

Application fee for Approval of Individuals

An Authorised Market Institution submitting applications on behalf of additional individuals seeking Approved Individual status must pay an application fee in the amount of ~~200~~ 300 USD in respect of each additional Approved Individual application.

Application fee for change of control

An Authorised Market Institution applying for change of control must pay to the AFSA an application fee in the amount of 1 000 USD.

(...)

SCHEDULE 3: APPLICATION FEES PAYABLE TO THE AFSA FOR ANCILLARY SERVICES

(...)

Fees for applications to carry on Ancillary Services

An applicant seeking to carry on one or more Ancillary Services must pay to the AFSA the application fee for each type of Ancillary Services set out in the table 1.1 above.

(...)

SCHEDULE 5: FEES PAYABLE TO THE REGISTRAR OF COMPANIES

(...)

- 5.1** An applicant seeking registration or recognition must pay the following fees to the Registrar of Companies:

(...)

Foundations	1 000	1 700
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5.2 Company or Partnership seeking to transfer its incorporation to or from the AIFC must pay to the Registrar of Companies an application fee in the amount of 3 000 USD.

(...)

SCHEDULE 6: ANNUAL SUPERVISION FEES PAYABLE TO THE AFSA

6.1 Annual supervision fees for Regulated Activities

(...)

<p>Operating a Multilateral Trading Facility</p>	<p>Option 1</p> <ul style="list-style-type: none"> • 3 000 USD (fixed); and • trading levy of 0.0006% of the average daily trading value (variable)**. <p>Note: AFSA will not invoice the trading levy (variable) fee unless it exceeds 500 USD</p> <p><i>Please see Notes for Option 1 below the table.</i></p> <p>Option 2</p> <ul style="list-style-type: none"> • fixed fee – 3 000 USD; and • variable fee calculated on a quarterly basis: <ul style="list-style-type: none"> • where the average daily trading value is less than 500 000 USD, is not applicable; • where the average daily trading value is more than 500 000 USD: <ul style="list-style-type: none"> - trading levy of 0.0006% of the average daily trading value; or - 2 500 USD, whichever is greater. <p>Additional thresholds:</p> <ol style="list-style-type: none"> a) The AFSA does not invoice the variable fee in excess of 700 000 USD in one year; or b) Where the average daily trading value is more than 500 million USD, the variable fee is trading levy of 0.0003% of the average daily trading value in excess of 500 million USD. <p><i>Please see Notes for Option 2 below the table.</i></p> <p>Option 3</p>
<p>Operating an Organised Trading Facility</p>	

	<ul style="list-style-type: none"> • fixed fee – 3 000 USD; and • <i>variable fee:</i> <table border="1" data-bbox="874 340 1465 1214"> <thead> <tr> <th data-bbox="874 340 1254 452">Average daily trading value</th> <th data-bbox="1254 340 1465 452">Variable fee (USD)</th> </tr> </thead> <tbody> <tr> <td data-bbox="874 452 1254 533">Less than 500 000 USD</td> <td data-bbox="1254 452 1465 533">-</td> </tr> <tr> <td data-bbox="874 533 1254 645">500 000 USD or more and less than 1 million USD</td> <td data-bbox="1254 533 1465 645">10 000</td> </tr> <tr> <td data-bbox="874 645 1254 757">1 million USD or more and less than 10 million USD</td> <td data-bbox="1254 645 1465 757">50 000</td> </tr> <tr> <td data-bbox="874 757 1254 869">10 million USD or more and less than 50 million USD</td> <td data-bbox="1254 757 1465 869">100 000</td> </tr> <tr> <td data-bbox="874 869 1254 981">50 million USD or more and less than 150 million USD</td> <td data-bbox="1254 869 1465 981">200 000</td> </tr> <tr> <td data-bbox="874 981 1254 1124">150 million USD or more and less than 350 million USD</td> <td data-bbox="1254 981 1465 1124">400 000</td> </tr> <tr> <td data-bbox="874 1124 1254 1214">350 million USD or more</td> <td data-bbox="1254 1124 1465 1214">700 000</td> </tr> </tbody> </table> <p data-bbox="849 1236 1433 1258"><i>Please see Notes for Option 3 below the table.</i></p>	Average daily trading value	Variable fee (USD)	Less than 500 000 USD	-	500 000 USD or more and less than 1 million USD	10 000	1 million USD or more and less than 10 million USD	50 000	10 million USD or more and less than 50 million USD	100 000	50 million USD or more and less than 150 million USD	200 000	150 million USD or more and less than 350 million USD	400 000	350 million USD or more	700 000
Average daily trading value	Variable fee (USD)																
Less than 500 000 USD	-																
500 000 USD or more and less than 1 million USD	10 000																
1 million USD or more and less than 10 million USD	50 000																
10 million USD or more and less than 50 million USD	100 000																
50 million USD or more and less than 150 million USD	200 000																
150 million USD or more and less than 350 million USD	400 000																
350 million USD or more	700 000																
Operating a Digital Asset Trading Facility	<p data-bbox="1114 1317 1200 1348" style="text-align: center;">35 000</p> <p data-bbox="849 1384 960 1415">Option 1</p> <ul style="list-style-type: none"> • fixed fee – 25 000 USD; and • variable fee calculated on a quarterly basis: <ul style="list-style-type: none"> • where the average daily trading value is less than 500 000 USD, is not applicable; • where the average daily trading value is more than 500 000 USD: <ul style="list-style-type: none"> - trading levy of 0.0006% of the average daily trading value; or - 5 000 USD, <p data-bbox="912 1899 1465 1966">The AFSA does not invoice the variable fee in excess of 1 000 000 USD in one year.</p>																

Please see Notes for Option 1 below the table.

Option 2

- fixed fee – 25 000 USD; and
- *variable fee:*

Average daily trading value	Variable fee (USD)
Less than 500 000 USD	-
500 000 USD or more and less than 1 million USD	20 000
1 million USD or more and less than 5 million USD	25 000
5 million USD or more and less than 10 million USD	35 000
10 million USD or more and less than 20 million USD	45 000
20 million USD or more and less than 50 million USD	90 000
50 million USD or more and less than 80 million USD	150 000
80 million USD or more and less than 150 million USD	250 000
150 million USD or more and less than 350 million USD	550 000
350 million USD or more	1 000 000

Please see Notes for Option 2 below the table.

(...)

*Supervision fees prescribed herein are applied from 1 May 2022. Before 1 May 2022, these fees are not applied.

~~**For Operating a Multilateral and Organised Trading Facilities, fixed component of the annual supervision fees must be paid in full to the AFSA on a yearly basis on or before 1 January of every~~

~~calendar year and variable component of the annual supervision fees must be paid in full to the AFSA on a quarterly basis following each quarter.~~

Notes for Option 1

For Operating a Multilateral Trading Facility, Organised Trading Facility or Operating a Digital Asset Trading Facility, variable fee is calculated on a quarterly basis by multiplying the average daily trading value by the active trading days in the relevant quarter.

Notes for Option 2 for Operators of MTF/OTF / Option 1 for Operators of DATF

1. For Operating a Multilateral Trading Facility, Organised Trading Facility or Operating a Digital Asset Trading Facility, variable fee is calculated on a quarterly basis by multiplying the average daily trading value by the active trading days in the relevant quarter.

Example:

- a) Average daily trading value of a Multilateral Trading Facility is 450 000 USD in quarter 1, the variable fee will not be applied in quarter 1;
- b) Average daily trading value of the firm is 1 million USD in quarter 2, the variable fee will be calculated as follows: 1 million * 63 (average trading days in quarter) * 0.0006% = 378 USD. As 2 500 USD is more than 378 USD, the variable fee will be 2 500 USD for quarter 2;
- c) Average daily trading value of the firm is 5 million USD in quarter 3, the variable fee will be 1 890 USD. As 2 500 USD is more than 1 890 USD, the variable fee will be 2 500 USD for quarter 3;
- d) Average daily trading value of the firm is 10 million USD in quarter 4, the variable fee will be 3 780 USD for quarter 4.

Thus, the firm must pay 8 780 USD as the variable fee for that year.

2. Variable fee is paid quarterly (paid within 21 days after the issuance of an invoice by the AFSA, but no later than within 1 month following each corresponding quarter).
3. **Additional thresholds for Operators of MTF/OTF:**

- a) The AFSA does not invoice the variable fee for Operating a Multilateral Trading Facility, Organised Trading Facility in excess of 700 000 USD in one year; or
- b) Where the average daily trading value is more than 500 million USD, the variable fee will be calculated separately for the average daily trading value of less or equal to 500 million USD (trading value of 0.0006%) and the average daily trading value of more than 500 million USD (trading value of 0.0003%).

Example:

Where the average daily trading value of the firm is 600 million USD in a quarter, the variable fee will be 207 900 USD for that quarter (0.0006% of 500 million USD and 0.0003% of 100 million USD).

4. The AFSA does not invoice the variable fee for Operating a Digital Asset Trading Facility in excess of 700 000 USD in one year.

Notes for Option 3 Operators of MTF/OTF / Option 2 for Operators of DATF

1. For Operating a Multilateral Trading Facility, Organised Trading Facility or Operating a Digital Asset Trading Facility, the amounts of variable fees given in the second column of the table indicate the annual variable fees.

2. Variable fee is calculated on a quarterly basis by pro-rating the annual variable fee, that would have been payable based on the average daily trading value, for the relevant quarter.

As such, the amount of the variable fee payable each quarter may vary depending on the average daily trading value of that quarter.

Example:

- e) Average daily trading value of a Multilateral Trading Facility is 450 000 USD in quarter 1, the variable fee will not be applied in quarter 1;
- f) Average daily trading value of the firm is 500 000 USD in quarter 2, the variable fee will be 2 500 USD for quarter 2;
- g) Average daily trading value of the firm is 5 million USD in quarter 3, the variable fee will be 12 500 USD for quarter 3;
- h) Average daily trading value of the firm is 10 million USD in quarter 4, the variable fee will be 25 000 USD for quarter 4.

Thus, the firm must pay 40 000 USD as the variable fee for that year.

3. Variable fee is paid quarterly (paid within 21 days after the issuance of an invoice by the AFSA, but no later than within 1 month following each corresponding quarter).
4. The AFSA does not invoice the variable fee for Operating a Multilateral Trading Facility, Organised Trading Facility in excess of 700 000 USD in one year.
5. The AFSA does not invoice the variable fee for Operating a Digital Asset Trading Facility in excess of 1 000 000 USD in one year.

6.1-1 Annual supervision fee in relation to Digital Assets

An Authorised Firm conducting Regulated Activities in relation to Digital Assets must pay to the AFSA an additional annual supervision fee in the amount of 3 000 USD.

6.2 Annual supervision fees for Market Activities

Annual supervision fees for Market Activities are determined by the activities the Authorised Market Institution conducts as set out below:

Market Activities	Fee (USD)**
Operator of an Investment Exchange	Calculated according to formula 1 below; <u>and an additional annual supervision fee in the amount of 5 000 USD if intends to trade Security Tokens and have Direct Access Members</u>
Operator of a Clearing House	Calculated according to formula 2 below; <u>and an additional annual supervision fee in the amount of 5 000 USD if intends to clear Security Tokens and have Direct Access Members</u>

(...)

Formula 1

$$SF= FF+TVF+LF,$$

where

SF – Supervision fee

FF – Fixed fee, which is 15 000 USD (paid annually)

TVF – Trading ~~volume~~ value fee, calculated as 0.003% of trading ~~volume~~ value in one year (paid quarterly within 21 days after the issuance of invoice by the AFSA, but no later than within 1 month following each corresponding quarter)

LF – Listing fee, calculated as 2% of all listing fees collected by an Operator of an Investment Exchange in one year (paid quarterly within 21 days after the issuance of invoice by the AFSA, but no later than within 1 month following each corresponding quarter)

Formula 2

$$SF=FF+SVF+DVF+CVE,$$

where

SF – Supervision fee

FF – Fixed fee, which is 15 000 USD (paid annually)

SVF – Settlement value fee (excluding On-Exchange Trades on Secondary Market), calculated as 0.001% of settlement ~~volume~~ value (paid quarterly within 21 days after the issuance of invoice by the AFSA, but no later than within 1 month following each corresponding quarter)

DVF – Depository value fee, calculated as 0.00005% of depository value (paid quarterly within 21 days after the issuance of invoice by the AFSA, but no later than within 1 month following each corresponding quarter)

CF – Clearing value fee, calculated as 0.001% of clearing value, applicable only to an Operator of a Clearing House acting as a Central Counterparty (paid quarterly within 21 days after the issuance of invoice by the AFSA, but no later than within 1 month following each corresponding quarter)

Notes

Where an Operator of a Clearing House carries on a clearing or settlement function for the trading facility operated by a member of its Group, relevant clearing and settlement fee is not applied.

(...)

6.4 Annual recognition fees for Recognised Non-AIFC Market Institutions and Recognised Non-AIFC Members

Recognition fee	Fee (USD)		
Recognised Non-AIFC Market Institution		Fixed annual recognition fee (USD)	Variable annual recognition fee (USD)
	Recognised Non-AIFC Market Institution operating as an Investment Exchange	15 000	0.003% of trading volume value in one year generated for Authorised Market Institutions
	Recognised Non-AIFC Market Institution operating as a Clearing House	15 000	0.001% of settlement value + 0.00005% of depositary value <u>+ 0.001% of clearing value*</u> generated for Authorised Market Institutions, <u>Multilateral or Organised Trading Facilities</u> <u>* Clearing value fee is applicable only to a Recognised Non-AIFC Market Institution acting as a Central Counterparty</u>
Recognised Non-AIFC Member	<p>For Recognised Non-AIFC Members that are admitted to trading by an Authorised Investment Exchange, <u>Multilateral or Organised Trading Facility or Digital Asset Trading Facility</u>: calculated according to formula 1 below.</p> <p>For Recognised Non-AIFC Members that are not admitted to trading by an Authorised Investment Exchange, <u>Multilateral or Organised Trading Facility or Digital Asset Trading Facility</u>, or whose trading volume value are is lower than 400 <u>25</u> million USD <u>per quarter on each trading platform</u>: a fixed amount of 1 000 USD pro-rated over a calendar year.</p>		

Formula 1

$$RF = FF + TVF,$$

where

RF – Annual recognition fee

FF – Fixed fee, which is 1 000 USD pro-rated over a calendar year

TVF – Trading volume value fee, calculated as 0.001% of trading volume value in one year, applicable only to Recognised Non-AIFC Members admitted to trading by Operator of an Investment Exchange, Multilateral or Organised Trading Facility or Digital Asset Trading Facility, whose trading volume value is over 100 25 million USD per quarter on each trading platform (paid within ~~one month following each corresponding quarter~~ 21 days after the issuance of invoice by the AFSA, but no later than within 1 month following each corresponding quarter).

Notes

Where a Recognised Non-AIFC Market Institution operating as a Clearing House carries on a clearing or settlement function for the trading facility operated by a member of its Group, relevant clearing and settlement fee is not applied.

(...)

SCHEDULE 8: FINTECH LAB FEES

(...)

8.2 Application fees

(...)

Notes

Fees for initial application—firm to conduct one or more activities within the FinTech Lab

An applicant seeking authorisation to conduct one or more activities specified in the fees table must pay:

- (a) the fee specified for the activity in the table above (or, if the applicant intends to carry on more than one activity, ~~the highest fee specified in the table for any of those activities~~ 10% of the application fee specified in FEES 1.2.2-1); and
- (b) the amount of **50 USD** for each individual for whom Approved Individual status is sought.

(...)

8.3 Migration fees to full authorisation

1. Migration fees payable to the AFSA by FinTech Lab Participants are determined by the activities the FinTech Lab Participant conducts as set out below:

Applications	Fee (USD)***
Regulated Activities	A migration fee equal to the difference between: <ul style="list-style-type: none"> (a) the application fee which would be payable under table 1.1 of Schedule 1 of FEES if it were an applicant for a full Licence; and (b) the application fee under table 8.2 of Schedule 8 of FEES.
Market Activities	A migration fee equal to the difference between:

	<p>(a) the application fee which would be payable under table 1.1 of Schedule 2 of FEES if it were an applicant for a full Licence; and</p> <p>(b) the application fee under table 8.2 of Schedule 8 of FEES.</p>
<u>Regulated and Market Activities</u>	<p><u>A migration fee equal to the difference between:</u></p> <p>(a) <u>the application fee which would be payable under FEES 1.2.2-1; and</u></p> <p>(b) <u>the application fee under Schedule 8 of FEES.</u></p>

2. The initial supervision fee payable to the AFSA by a FinTech Lab Participant, which migrated to the full supervisory regime, is the difference between:

- (a) the initial annual supervision fee which would be payable under FEES 3; and
- (b) the annual supervision fee which was paid under Schedule 8 of FEES.

(...)

8.4 Supervision fees payable to the AFSA by FinTech Lab Participants

(...)

Activities within the FinTech Lab	Fee type	Fee (USD)****
Regulated Activities	Fixed	20% of the supervision fees under table 6.1 of Schedule 6 of FEES
Market Activities	Fixed and Variable****	<ul style="list-style-type: none"> • 10% of the supervision fees under table 6.2 of Schedule 6 of FEES (fixed); and • trading levy of 0.001% of the average daily trading value (variable)**** <p>Note: AFSA will not invoice the trading levy (variable) fee unless it exceeds 200 USD</p>

(...)

****Fixed component of the annual supervision fees must be paid in full to the AFSA on a yearly basis on or before 1 January of every calendar year and variable component of the annual supervision fees ~~must be paid in full to the AFSA on a quarterly basis following each quarter~~ is paid quarterly (paid within 21 days after the issuance of an invoice by the AFSA, but no later than within 1 month following each corresponding quarter).

Notes

1. A FinTech Lab Participant licensed to conduct more than one Regulated and/or Market Activities, other than specified below, must pay to the AFSA the highest of the supervision fees specified in table 8.4.

2. A FinTech Lab Participant licensed to carry on:
- (a) the Market Activity of Operating an Investment Exchange or Operating a Clearing House; or
 - (b) the Regulated Activity of Operating a Digital Asset Trading Facility, Operating a Multilateral Trading Facility or Operating an Organised Trading Facility;
- must pay to the AFSA an annual supervision fee specified in table 8.4 for each such activity.
- (...)

8.5. Application fees for modification of a Licence

An application fee equal to the difference between:

- (a) the application fee which would be payable under table 8.2 of Schedule 8 of FEES if it were an applicant for a Licence in terms of currently being sought; and
 - (b) the application fee which was paid or would be payable under table 8.2 of Schedule 8 of FEES if it were an applicant for a Licence in terms of that currently held.
- (...)

SCHEDULE 9: OTHER FEES

9.1 Application to register a Non-Exempt Fund and Exempt Fund or provide notification for an Exempt Fund

(...)

9.2 Application to make amendments to the Constitution or Offering Materials of a Non-Exempt Fund

A Domestic Fund Manager that intends to make amendments to the Constitution or Offering Materials of a Non-Exempt Fund must pay to the AFSA an application fee in the amount of 500 USD.

(...)

SCHEDULE 10: LATE FEES PAYABLE TO THE AFSA*

10.1 Late fees for failure to provide notification, report or return

A Person falling within FEES 7.1 must pay to the AFSA a late fee in the amount of 300 USD ~~within 3 business days after the contravention occurs,~~ if the Person fails to provide notification, report or return within 3 business days after it has committed a contravention. Non-payment of the late fee within 30 calendar days incurs a further late payment fee equal to 10% of the late fee for each calendar day.

10.2 Late fees for failure to comply with direction issued by the AFSA

A Person falling within FEES 7.4 must pay to the AFSA a late fee in the amount of 300 USD ~~within 3 business days after the contravention occurs,~~ if the Person fails to comply with direction issued by the AFSA within 3 business days after such failure. Non-payment of the late fee within 30 calendar days incurs a further late payment fee equal to 10% of the late fee for each calendar day.

(...)

SCHEDULE 11: LATE FILING FEES PAYABLE TO THE REGISTRAR OF COMPANIES*

~~101. A Person failing to provide annual return, annual confirmation statement or annual accounts to the Registrar of the Companies within the periods specified in the AIFC Companies Regulations A Person falling within FEES 7.6 must pay to the Registrar of Companies a late fee in the amount of 50 USD within 5 business days after the contravention occurs, if the Person fails to provide annual return, annual confirmation statement or annual accounts within 5 business days after it has committed a contravention. Non-payment of the late fee within 30 calendar days incurs a further late payment fee equal to 5% of the late fee for each calendar day.~~

*Late filing fees for failure to provide annual return, annual confirmation statement or accounts in relation to each financial year payable to the Registrar of Companies are applied from 1 April 2023.