



PLANS FOR 30TH ANNIVERSARY CELEBRATIONS

POLICY & PROCEDURE TIPS

1ST QUARTER STATISTICS

Issue No. 18

April 2014

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Policy & Procedure Tips

VERIFICATION SUBJECTS

CASES REQUIRING THIRD PARTY EVIDENCE IN SUPPORT

Reliable Introductions

1. Verification may not be needed in the case of a reliable local introduction from a regulated business, preferably in the form of a written introduction. One must be able to determine if that local introduction should be treated as reliable, trusting the knowledge which that regulated business has of local regulated businesses generally. If in doubt, then the relevant due diligence questions must be asked and the information divulged must be ascertained. N.B. Details of the introduction should also be kept as part of the records of the customer introduced.

2. Verification may not be needed where a written introduction is received from an introducer who is:

- ◆ A professionally qualified person in financial services, law or accountancy;
- ◆ Regulated business; or
- ◆ The receiving regulated business is satisfied that the rules of the introducer's professional body or regulator (as the case may be) include ethical guidelines, which taken in conjunction with the money laundering regulations in the introducer's jurisdiction include requirements at least equivalent to those in these Guidance Notes; and
- ◆ The introducer concerned is reliable and in good standing and the introduction is in writing, including an assurance that evidence of identity would have been taken and recorded, which assurance should be separate for each customer or general. N.B. Details of the introduction should be kept as part of the records of the customer introduced.

3. Verification is however not needed where the introducer of an applicant for business is either an overseas branch or member of the same group as the receiving regulated business.

4. To qualify for exemption from verification, the terms of business between the regulated business and the introducer shall require the latter to:

- ◆ Complete verification of all customers introduced to the regulated business or to inform the regulated business of any unsatisfactory conclusion in respect of any such customer.
- ◆ Keep records in accordance with the Guidance Notes; and
- ◆ Supply copies of any such records to the regulated business upon demand.

30th Anniversary Events and Dates...

June 6th	-	Financial Services Expo* Launch of Anniversary Brochure** Commemorative stamp to be unveiled
June 8th	-	Church Service
June 9th	-	Hike
June 10th & 12th-		Presentation/Discussion on local Radio Stations***
June 17th	-	Community Outreach
June 21st-		Awards & Cocktail Reception****

*Service providers can participate and/or assist in the Financial Services Expo by donating marketing materials (brochures, pens, tokens, etc.) To donate marketing materials kindly contact: Ameilia Jones or Karimah Ward at 469-1469 or 469-5521 ext 2150.

The Anniversary Brochure is currently being compiled and individuals and companies can grasp the opportunity of placing Congratulatory Ads and well wishes in commemoration of this significant milestone of our financial services. **The deadline for submissions is Tuesday, May 6th 2014. Spaces are limited, so secure your spot today! Contact the Nevis Investment Promotion Agency (NIPA) staff at 469-0038 or 469-5521 Ext. 2172.

***The 30th Anniversary Committee is soliciting volunteers to participate in Presentation/Discussion on local radio stations on the above mentioned dates. Kindly contact the NIPA staff to express interest.

****The Awards & Cocktail Reception will be a "ticket admission" event. There will be a Keynote address, awards for various categories and live entertainment. Details regarding fee and dress code will be in a subsequent communication.

CASES REQUIRING THIRD PARTY EVIDENCE IN SUPPORT conclusion

N.B. In the event of any dissatisfaction on any of these, the regulated business shall (unless the case is otherwise exempt) undertake and complete its own verification of the customer.

If the Commission is of the opinion that a financial service business or a regulated business is operating in a manner that is contrary to the Guidance Notes, the Commission may take actions specified in the FS Regulations 2011 (Implementation of Industry Standards) Regulation Nos. 3 & 4.

Figures you can trust**First Quarter Registration Comparison from 2012 - 2014 (JAN-APR)**

	2012	2013	2014	Total
IBC's	535	524	609	1668
LLC's	367	316	305	988
Trusts	37	40	36	113
Foundations	6	10	10	26
QFT	3	0	3	6
Total	948	890	963	

The above reveals a number of variables, however noteworthy is a 16.22% increase of IBC registration for this quarter in respect to 2013.

Despite the slight decline in LLC's, there is a favourable average of 329 registrations for that quarter over the 3 year period.

Upcoming Events ...

May 4—6 2014 The 12th Annual Miami Edition Off-shore Alert Conference. <https://www.cvent.com/events/offshorealert-conference-miami-2014>

May 14—16 2014 STEP Caribbean Conference <http://www.stepcaribbeanconference.com/>

July 14—16 2014 KAW Management Services 6th Annual AML/CFT Anti-Fraud Conference www.kawmanagement.com

Reminders

1. Service Providers who have been contacted regarding an on-site inspection date, but has not completed the Pre-Examination Questionnaire, please do so at your earliest convenience.
2. Service Providers are also reminded of the reporting policy regarding administrative changes within their company. It is a requirement to notify the NFS Department of such changes for example in promotions, signatories, new managers, etc. This should be done to prevent unnecessary delay in the processing of documents and other related procedures.

In Celebration of the 30th Anniversary, we have provided a 'blast from the past' photo. Can anyone guess who they are and what year?

**Sources**

- ⇒ Financial Services Regulations 2011 (Implementation of Industry Standards) pages 1, 21 & 22
- ⇒ NFSD Green Screen
- ⇒ 30th Anniversary Committee

