



**REPORTING REQUIREMENTS FOR
REGULATED ENTITIES**



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Regulated Entities are granted licences based on the information and circumstances presented at the time of application. Appropriate checks and verification, including 'fit and proper' assessments are undertaken and based on the results, licences are either granted or denied. Once a regulated entity has been granted a license then it is required to seek prior approval for any changes to the following:

- ◆ shareholders/directors;
- ◆ management;
- ◆ compliance officers;
- ◆ auditors; and

Additionally, the Department must be notified formally in writing of any changes to:

- ◆ administrative personnel; and
- ◆ physical location / contact details.

SHAREHOLDERS / DIRECTORS

Prior to filing the requisite Notice of Change of Directors with the Local Companies Registry, an application for the Change of Ownership/Directorship must be submitted to the Department for approval. The following information must also be submitted to the Department on behalf of each shareholder / director to enable them to own shares / act as directors in domestic companies:

- Constitutional documents (if Company);
- Verification of the Company's underlying beneficial owner(s) - namely those who ultimately own or control the Company;
- If the shareholder/director is a Company, a Certificate of Good

Standing from the jurisdiction in which the Company is domiciled;

- If the shareholder/director is an individual, see below for listing of the requisite documents required by the Department.
- Foreign individuals and entities are required to obtain an Alien Land Holding Licence to enable them to own shares/act as directors in domestic companies.
 - Immediate Application should be made to the Ministry of Agriculture for the requisite Alien Land Holding Licence and a copy of this should be furnished to the Department as soon as it is received.

MANAGEMENT

The Department must ensure that proposed managers satisfy the "fit and proper" requirement and possess the requisite experience to enable the regulated entity to be effectively managed. To effect change of management for regulated entities, the Department must be notified in writing and the documents as listed below must be submitted to the Department for approval.

External Due Diligence Investigation

As part of its vetting process, the Department conducts an external due diligence investigation on each **foreign** principal and director of regulated entities. The fees to conduct this external investigation are as follows:

- ◆ USD2,500 — CARICOM Nationals
- ◆ USD5,000 — Other Foreign Nationals

The findings along with the Department's recommendation are submitted to the Ministry of Finance for consideration.

Documents to be Submitted:

The following documents must also be submitted to the Department to enable the appropriate due diligence background check to be conducted on individuals:

- ◆ Original Police Report;
- ◆ Notarized photo IDs;
- ◆ Two original professional references addressed to the Regulator;
- ◆ Original Bank Reference addressed to the Regulator;

- ◆ Social security, passport and driver's licence numbers;
- ◆ Curriculum Vitae;
- ◆ Current physical residential address;
- ◆ Previous physical residential address (most recent); and
- ◆ Nationality.

Fitness and Propriety

In determining an applicant's fitness and propriety, due regard will be given to his or her:

- ⇒ Honesty, integrity and reputation;
- ⇒ Competence and soundness of judgment;
- ⇒ Capability, qualification and experience;
- ⇒ Record of Compliance; and
- ⇒ Financial Soundness.

COMPLIANCE OFFICERS

As stipulated in **Regulation 12** of the **Anti-Money Laundering Regulations, 2011** and **Anti-Terrorism (Prevention of Terrorist Financing) Regulations, 2011** a Compliance Officer shall be a senior officer with relevant qualifications and sufficient experience to enable him or her to respond appropriately to enquiries relating to the regulated entity and the conduct of its business.

Paragraph 28 of the **Financial Services (Implementation of Industry Standards) Regulations, 2011** provides that the name of the Compliance Officer must be submitted to the Financial Services Regulatory Commission (**FSRC**) for approval as soon as it is reasonably practicable and no later than fourteen (14) days after the appointment. Therefore, any changes will be subject to the same requirements.

The regulated entity should apply for approval by submitting documentary evidence in the form of a Curriculum Vitae, outlining in detail, the proposed applicant's qualification and experience together with Certificates evidencing Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) training.

Additionally, other documents such as an original police report, notarized IDs and professional references will be required.

The Financial Services Regulatory Commission is in the process of issuing minimum guidelines for the role and appointment of Compliance Officers and this Guidance will be circulated following the FSRC's approval.

AUDITORS

Section 35 of the **Financial Services Regulatory Commission Act 2009, as amended** stipulates that the appointment of an Auditor shall be to the satisfaction of the Financial Services Regulatory Commission and with the accreditation of a Chartered Public Accountant or Association of Certified Chartered Accountant.

Further **Section 35(5)** of the **Financial Services Regulatory Commission Act 2009, as amended** provides that upon finalization of the agreement of work between the auditor and the regulated entity, and no later than thirty (30) days before the audit is to begin, the regulated entity shall submit to the Commission, a copy of said agreement in order for the Commission to determine if the appointed auditor is satisfactory to the Commission.

ADMINISTRATIVE PERSONNEL

Regulated entities must notify the Department in writing of any changes in their administrative personnel. Especially in cases where those individuals are the main point of contacts between the Department and the regulated entity.

PHYSICAL LOCATION / CONTACT DETAILS

The regulated entity's contact details including physical address, email addresses and telephone and facsimile numbers are provided to the Department at the initial stages of establishment. Thereafter, the Department must be notified in writing of any changes in these details within a reasonable period of time.

This information is useful to the Department for various reasons including, but not limited to, service of process, dissemination of information (advisories, publications, etc.), and conducting on-site examinations.

Additionally, the above information is also needed so that the appropriate changes can be posted to our website.

SOURCE

Financial Services Regulatory Commission Act, 2009
Anti-Money Laundering Regulations, 2011
Financial Services (Implementation of Industry Standards) Regulations, 2011
Anti-Terrorism (Prevention of Terrorist Financing) Regulations, 2011

