

**CHAPTER 260**  
**MONEY SERVICES BUSINESS ACT**

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• Act • Subsidiary Legislation •

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**ACT**

Act No. 27 of 2005

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**CHAPTER 260**  
**MONEY SERVICES BUSINESS ACT**

**An Act to require the licensing and regulation of money services businesses and to make provision for related matters.**

**Be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the House of Assembly of Saint Vincent and the Grenadines and by the authority of the same as follows.**

[Act No. 27 of 2005.]

[Date of commencement: 25th April, 2006.]

## **1. Short title and commencement**

This Act may be cited as the Money Services Business Act, 2005, and shall come into operation on such date as the Governor-General may by proclamation appoint.

## **2. Interpretation**

In this Act—

**“affiliate”** means any person who directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with another person;

**“applicant”** means a person filing an application for a licence under this Act;

**“Authority”** means the Ministry of Finance;

**“Central Bank”** means the Eastern Caribbean Central Bank established pursuant to the Agreement establishing the Eastern Caribbean Central Bank done at Port-of-Spain on the 5th day of July, 1983, and which came into effect in accordance with section 3 of the Eastern Caribbean Central Bank Agreement Act;

[Chapter 95.]

**“Court”** means the High Court;

**“financial year”**, means, in relation to a licensee—

- (a) the period not exceeding fifty-three weeks at the end of which the balance of the licensee's account is struck; or
- (b) if no balance is struck or if a period in excess of fifty-three weeks is used, then a calendar year;

**“key shareholder”** means a share holder holding more than five per cent of the share capital of an applicant company or whose shareholding in the company entitles him or her to control more than five per cent of the total voting rights;

**“licence”** means a Money Services Business Licence granted under section 5(4);

**“licensee”** means a person holding a licence under this Act;

**“Minister”** means the Minister responsible for finance;

**“money services business”** means—

- (a) the business of providing any or all of the following services—
  - (i) transmission of money or monetary value in any form,
  - (ii) cheque cashing,
  - (iii) currency exchange,
  - (iv) the issuance, sale or redemption of money orders or traveller's cheques, and
  - (v) any other services the Minister may specify by notice published in the *Gazette*; or
- (b) the business of operating as an agent or franchise holder of a business mentioned in paragraph (a);

**“net worth”** means excess assets over liabilities as presented under international accounting standards subject to adjustment for non-admitted assets as determined by the Authority.

### **3. Application of the Act**

(1) This Act does not apply to—

- (a) a person licensed under the Banking Act or the International Banks Act, 2004, to carry on money services business in conjunction with other business, unless the licensed person is operating as an agent or franchise holder of a money services business;
- (b) the Central Bank;
- (c) organisations licensed as a clearing agency under the Securities Act, 2001;
- (d) operators of clearing houses and other forms of payment systems; and
- (e) the Government or a government department or a statutory corporation.

[Chapter 87, Chapter 99, Chapter 261.]

(2) No money services business that is licensed under this Act is required to be licensed under the Professions Licensing Act.

[Chapter 377.]

### **4. Requirement for licence**

(1) No person shall carry on money services business in Saint Vincent and the Grenadines without first obtaining a licence under section 5.

(2) A person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of ten thousand dollars or to imprisonment for a term of one year; and in the case of a continuing offence, to a fine of one thousand dollars for each day the offence continues.

(3) Where a person contravenes subsection (1) the Authority may terminate the unlicensed money services business in accordance with the winding up procedure under the Companies Act, 1994.

[Chapter 143.]

### **5. Application, issue and validity of a licence**

(1) Subject to the provisions of this Act, a person who wishes to carry on money services business within Saint Vincent and the Grenadines must apply for a licence.

(2) An application under subsection (1) must—

- (a) be made in writing to the Authority;
- (b) contain the information and particulars set out in the First Schedule;
- (c) be accompanied by a certified statement showing that the applicant has a net worth of one hundred thousand dollars; and
- (d) be accompanied by the non-refundable application fee prescribed in the Third Schedule.

[First and Third Schedules.]

(3) On receipt of an application under subsection (1) the Authority shall—

- (a) review the application to ensure that it contains the required information and is accompanied by the fee prescribed in the Third Schedule;

- (b) conduct any inquiries that may be considered necessary; and
- (c) communicate with any persons, bodies or authorities as required.

(4) If the Authority is satisfied that an application under subsection (1) is in order and that the applicant can fulfil the obligations of a licensee under this Act, it may grant the application and issue a licence in the form set out in the Second Schedule subject to the payment of the application fee set out in the Third Schedule and subject to the terms and conditions it considers necessary.

[Second and Third Schedules.]

(5) The Authority may refuse to grant a licence if it is not satisfied that—

- (a) an application under subsection (1) is in order; or
- (b) the applicant would be able to fulfil the obligations of a licensee under the Act.

(6) The following conditions shall apply to every licence issued under subsection (4)—

- (a) a licensee shall not change its name without the prior approval of the Authority;
- (b) the registered office of a licensee must be in Saint Vincent and the Grenadines and must not be changed without the prior approval of the Authority;
- (c) a licensee must notify the Authority forthwith of any change in the information supplied in the application as required under subsection (2);
- (d) a licensee must maintain its net worth at an amount not less than that required in subsection (2).

(7) The Authority may at any time vary or repeal the conditions it imposed pursuant to subsection (4).

(8) A licence to carry on money services business is valid from the date of first issue until the 31st December of that year and may be renewed by the Authority on payment of the annual fee prescribed in the Third Schedule on or before the 15th day of January of the following year.

[Third Schedule.]

(9) A licensee who fails to pay the prescribed annual fee in accordance with subsection (8) may have its licence revoked by the Authority pursuant to section 20(2)(a), but in any event shall pay a surcharge not exceeding one twelfth of that fee for every month or part of a month that the fee remains unpaid.

(10) The Minister may by order vary, alter or in any other way amend the First and Second Schedules.

[First and Second Schedules.]

## **6. Statutory deposit**

(1) No licence may be granted under section 5 to an applicant unless the applicant makes a statutory deposit in this section referred to as “the deposit” of one hundred thousand dollars in cash, government securities or any other form approved by the Minister, to the Accountant-General.

(2) The deposit is to be held in trust by the Authority for the benefit of holders of outstanding payment instruments, in the event that the licensee becomes bankrupt.

(3) The deposit shall be retained for such period as the Authority determines after the licensee ceases money services business in Saint Vincent and the Grenadines.

## **7. Increase of capital**

A licensee may be required by the Authority to raise its capital if the Authority has reasonable cause to believe that there are grounds for so doing.

## **8. Restriction**

(1) No person, other than a licensee, shall—

- (a) use words in any language, representing that the person is carrying on money services business in the description or title under which a person carries on business within Saint Vincent and the Grenadines;
- (b) make any representation in any billhead, letter, letterhead, circular, paper, notice or advertisement or in any other form that the person is carrying on money services business within Saint Vincent and the Grenadines; or
- (c) in any manner solicit or receive money from any person for the purpose of carrying on money services business within Saint Vincent and the Grenadines.

(2) The Authority may refuse to grant a licence to a person, or if a person is already in possession of a licence, the Authority may revoke the licence, if, in the Authority's opinion, the person is carrying on or intending to carry on money services business under a name that—

- (a) is identical with that of any company, firm or business house, whether within Saint Vincent and the Grenadines or not, or that so nearly resembles that name as to be misleading;
- (b) falsely suggests, the patronage of or connection with some person or authority, whether within Saint Vincent and the Grenadines or not;
- (c) falsely suggests, that the money services business—
  - (i) has a special status in relation to or derived from the Government,
  - (ii) has the official backing of or acts on behalf of the Government or any department, branch, agency or organ of Government or of any officer of Government, or
  - (iii) is recognised in Saint Vincent and the Grenadines as a national or central money services business.

(3) A person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of six months, or both, and in the case of a continuing offence, to a fine of five hundred dollars for each day that the offence continues.

## **9. Accounting records and systems of business control**

(1) A licensee shall, in accordance with internationally acceptable accounting standards, in respect of its money services business—

- (a) keep accounting records; and
- (b) establish and maintain systems of internal control and record keeping.

(2) The licensee shall comply with the requirements of section 46 of the Proceeds of Crime and Money Laundering (Prevention) Act, 2001.

[Chapter 181.]

(3) The Authority or the Authority's designee shall be responsible for monitoring compliance by a licensee, with the requirements of section 46 of the Proceeds of Crime and Money Laundering (Prevention) Act.

(4) Without prejudice to the requirements of the Proceeds of Crime and Money Laundering (Prevention) Act a licensee shall maintain the following records in the following manner—

- (a) a record of each transaction executed and a record of each outstanding transaction for at least seven years after the date the transaction is complete;
- (b) bank statements for at least seven years after the date the transaction is complete; and
- (c) bank reconciliation records for at least seven years after the date of creation.

## **10. Returns**

(1) A licensee shall file, in the format provided by the Authority, quarterly returns with the Authority within fifteen days of the end of a quarter, along with written confirmation that the information set out in the application for the licence remains correct and gives a full and fair picture of its money services business.

(2) A licensee who fails to file the quarterly returns within the stipulated time shall pay a fine of two hundred and fifty dollars for each day until the returns are filed.

## **11. Accounts**

(1) A licensee shall have the accounts of its money services business audited annually or at any other time the Authority may require by an auditing firm or by an auditor, who is a chartered accountant, a certified public accountant or some other professionally qualified accountant, approved by the Authority.

(2) The licensee shall forward the audited accounts to the Authority within three months of the end of the financial year of the licensee's money services business, unless prior written approval for an extension has been granted by the Authority.

(3) A licensee who fails to forward the audited accounts in accordance with subsection (2) shall pay a fine of five hundred dollars for each day until the accounts are forwarded.

## **12. Auditor's certificate**

Within three months of the end of the financial year of a licensee's money services business, the licensee shall forward to the Authority an auditor's certificate of the existence of adequate procedures to ensure compliance by the business with any anti-money laundering regulations issued under the Proceeds of Crime and Money Laundering (Prevention) Act, 2001.

[Chapter 181.]

## **13. Authority may summon auditor**

(1) The Authority may summon the auditor or any former auditor of a money services business owned by a licensee for the purpose of making enquiries into the operations and financial position of the business.

(2) Where an auditor is summoned under subsection (1), the Authority must notify the licensee concerned, in writing, and the licensee shall have the right to attend any meeting held by the Authority with the auditor.

## **14. Auditor's notice of resignation**

Where an auditor appointed by a licensee—

- (a) intends to resign during the currency of his appointment; or

- (b) has given written notice to the licensee of his unwillingness to be considered for reappointment at the expiration of the period of his appointment,

the auditor shall give written notice to the Authority accordingly and shall state in the notice the reasons for his intention to resign or his unwillingness to be considered for re-appointment.

#### **15. Notice of termination of auditor's appointment**

If a licensee intends to terminate the appointment of its auditor or decides that the auditor will not be re-appointed, the licensee concerned shall notify the Authority in writing accordingly and state in the notification the reason for the intention or decision.

#### **16. Consequences of auditor's disclosure**

An auditor or former auditor of a licensee shall not be regarded as being in breach of his duty to the licensee in consequence of any disclosure to the Authority pursuant to sections 11 to 14.

#### **17. Prohibitions on certain licencees**

(1) A licensee whose business is incorporated under the Companies Act, 1994, shall not without prior written approval of the Authority open within or outside Saint Vincent and the Grenadines a subsidiary, branch, agency or representative office.

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(2) A licensee shall not, without prior written approval of the Authority—

- (a) transfer twenty per cent or more of its assets or liabilities in the money service business other than in the ordinary course of its business;
- (b) in the case of a licensee whose business is incorporated under the Companies Act, transfer twenty per cent or more of the total voting rights of all the members entitled to vote at a general meeting of the licensee.

#### **18. Approval of directors**

(1) Subject to subsection (2) a licensee shall notify the Authority, prior to the appointment of a director or other senior officer, of the date of the proposed appointment and submit the completed Personal Questionnaire contained in the First Schedule in respect of the proposed appointee.

(2) The Authority may require a reasonable period further to the date of the proposed appointment to determine whether the proposed appointee is a fit and proper person in accordance with the criteria set out in section 21(3).

(3) The Authority may, if the person is not a fit and proper person—

- (a) upon receipt of the notification and information under subsection (1), direct the licensee that the person may not act; or
- (b) at such other times during the person's tenure as director or senior officer, direct the licensee that the person may not continue to act,

and the authority shall state the reasons for its direction.

(4) If at the date of the proposed appointment the Authority has not issued a direction the licensee may appoint the director or senior officer as the case may be, except that the licensee may not appoint a director or senior officer before the end of any period fixed by the Authority pursuant to subsection (2).

(5) No person shall continue to act as a director or senior officer of a licensee if—

- (a) that person becomes bankrupt or is convicted of an offence involving dishonesty; and
- (b) so directed by the Authority under subsection (2).

## **19. Powers and duties of the Authority**

(1) The Authority shall—

- (a) exercise general supervision over all matters relating to money services business practice in the Saint Vincent and the Grenadines;
- (b) whenever it thinks fit, examine the affairs or business of any licensee carrying on business within Saint Vincent and the Grenadines for the purpose of satisfying itself that this Act has been or is being complied with and that the licensee is in a sound financial position and is carrying on its business in a satisfactory manner;
- (c) assist in the investigation of any offence against the laws of Saint Vincent and the Grenadines which it has reasonable grounds to believe has or may have been committed by a licensee or by any of its directors or officers in their capacity as directors or officers;
- (d) examine—
  - (i) returns furnished to it under section 10, and
  - (ii) audited annual accounts forwarded to it under section 11,and to report on them to the Minister whenever it thinks fit;
- (e) require or perform consolidated supervision of parent, subsidiary and affiliated companies whenever it thinks fit.

(2) In matters relating to money services business, the Authority shall take all necessary action to ensure the proper administration of this Act.

(3) In the performance of its functions under this Act the Authority may at all reasonable times—

- (a) have access to the premises, books, records, vouchers, documents, cash and securities of any licensee;
- (b) remove and make copies of any books, records, vouchers and documents found on the premises of a licensee;
- (c) request the information, matter or thing from any person who the Authority has reasonable grounds to believe is carrying on money services business in contravention of section 4(1); and
- (d) call upon the manager of the licensee or any similar person, or an officer designated by either the manager, or such similar persons for any information or explanation,

that the Authority may reasonably require for the purpose of enabling it to perform its functions under this Act; and information requested under paragraph (b) shall be provided in the form the Authority may reasonably require.

(4) If it appears to the Authority that there is reasonable ground for suspecting that an offence against this Act has been or is being committed by any person, the Authority may, with the approval of the Court, take any action it considers necessary, in the interest of the customers of a licensee or creditors of that person, to preserve any assets held by that person.

(5) A person who fails to comply with a requirement made by the Authority under subsection (3) commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of six months, or both.



## 20. Powers of the Authority in respect of licensees

(1) Whenever the Authority is of the opinion that—

- (a) a licensee is or appears likely to become unable to meet its obligations as they fall due;
- (b) a licensee is carrying on business in a manner detrimental to the public interest or the interest of its customers or creditors;
- (c) a licensee has contravened this Act;
- (d) a licensee had failed to comply with a condition of its licence;
- (e) there has been or is, on the part of a licensee or its directors, a failure to satisfy any one or more of the criteria of prudent management set out in section 21;
- (f) a licensee or a manager or such similar person of the licensee refuses to cooperate with the Authority in the performance of its functions under section 19(3);
- (g) a licensee is carrying on business in an unlawful manner,

the Authority may take one or more of the actions set out in subsection (2).

(2) The actions that the Authority may take in pursuance of subsection (1) are as follows—

- (a) revoke the licence;
- (b) attach conditions, or further conditions, as the case may be, to the licence and may amend or revoke any of the conditions;
- (c) require the substitution of a director or officer of the licensee;
- (d) at the expense of the licensee, appoint a person to advise the licensee on the proper conduct of its affairs and to report to the Authority within three months of the date of his appointment;
- (e) at the expense of the licensee, appoint a person to assume control of the licensee's affairs who shall, with any necessary changes, have all the powers of a person appointed under the Companies Act, 1994, as a receiver or manager of a business;
- (f) require a licensee, to take, refrain from, or discontinue any action as the Authority considers necessary.

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(3) Notwithstanding section 28(1), the Authority must give notice to a licensee of its decision to revoke a licence under subsection (2)(a) of this section; and the licensee may, within seven days of that notice apply to the Authority for a reconsideration of its decision before the final decision on revocation is made.

(4) A person appointed under subsection (2)(d) or (e) or whose appointment has been extended under subsection (5)(b) shall from time to time at his discretion, or within such time as the Authority may require, and in any case within three months of the date of his appointment or of the extension of his appointment, prepare and furnish a report to the Authority of the affairs of the licensee and of his recommendations.

(5) The Authority may, on receipt of a report under subsection (4) take any one or more of the following actions—

- (a) revoke the appointment of the person appointed under subsection (2)(d) or (e);
- (b) extend the period of appointment of a person appointed under subsection 2(d) or (e);

- (c) subject to any conditions that the Authority may impose, allow the licensee to re-organise its affairs in a manner approved by the Authority;
- (d) revoke the licence and apply to the Court for an order that the licensee be forthwith wound up by the Court in which case the provisions of the Companies Act, 1994, relating to the winding up of a company by the Court shall, with any necessary changes apply.

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(6) Notwithstanding any provision in this section, the Authority may revoke a licence without giving notice to the licensee if—

- (a) the licensee has ceased to carry on money services business;
- (b) the business of the licensee is dissolved whether by liquidation, by winding up or by any other method of dissolution; or
- (c) the licensee fails to commence business within one year of the grant of the licence.

(7) Whenever the Authority revokes a licence under subsection (2)(a), (5)(d) or (6) the Authority shall cause notice of the revocation to be gazetted and may also cause the notice to be published in the newspaper or other publication of national or international circulation as the Authority may consider necessary in the circumstances.

## 21. Criteria of prudent management

(1) For the purpose of section 19(1)(b), the criteria of prudent management are as follows—

- (a) maintenance of—
  - (i) adequate reserves and other capital resources,
  - (ii) adequate assets in liquid form,
  - (iii) a system for managing and containing risks to the net worth of the business of the licensee and risks to its net income, whether arising from fluctuations in interest or exchange rates or from other factors,
  - (iv) the requisite accounting records,
  - (v) systems of internal control and record keeping, and
  - (vi) systems for inspection and report;
- (b) direction and management conducted with prudence and integrity by a sufficient number of persons who are fit and proper to be directors or, as the case may be, officers in their respective positions; and
- (c) conduct of the business of the licensee with adequate professional skills.

(2) In this section for the purposes of interpreting the criteria in subsection (1) in their application to the business of the licensee—

**“adequate”**, other than with reference to liquidity, means adequate having regard to the range and scale of the business;

**“adequate”**, with reference to liquidity, means of a proportion and composition that will at all times enable the business to meet its liabilities as they arise and **“liquid form”**, in relation to assets, shall be construed accordingly;

**“business”** includes business the licensee proposes to conduct;

**“requisite”**, with reference to accounting records and systems of control, means those required by section 9;

“**sufficient**”, with reference to the number of directors and officers, means sufficient having regard to the range and scale of the business.

(3) In determining whether a person is a fit and proper person to hold a particular position in a licensee’s business for the purpose of subsection (1)(b) the following must be taken into account—

- (a) the probity of that person;
- (b) the competence of that person and soundness of judgement for fulfilling the responsibilities of that position;
- (c) the diligence with which that person fulfils or is likely to fulfill those responsibilities; and
- (d) whether the interests of customers of the business are, or are likely to be, in any way threatened by his holding that position.

(4) Nothing in this section shall give rise to a claim against a licensee’s directors or money services business, or afford a defence to a claim made by a money services business.

## **22. Authority may apply to Court to preserve customer’s interests**

The Authority may, in a case where a licensee, or a person who has at any time been a licensee, is being wound up voluntarily, apply to the Court if the Authority considers that the winding up is not being conducted in the best interests of the licensee’s customers or creditors, and the Court shall make any order it considers appropriate.

## **23. Rules**

The Chief Justice may make Rules governing the procedure in relation to applications to the Court under section 19(4), 20(5)(d) or 22.

## **24. Power of search**

(1) If a Magistrate is satisfied by information on oath given by the Authority that—

- (a) there is reasonable ground for suspecting that an offence against this Act has been committed and that evidence of the commission of the offence is to be found at any premises specified in the information, or in any vehicle, vessel or aircraft so specified; or
- (b) any books, records, vouchers, documents, cash or securities which ought to have been produced under section 19(3) and have not been produced are to be found at the premises, or in the vehicle, vessel or aircraft specified in the information,

he may grant a search warrant authorising the Authority or any police officer of the rank of Inspector or above, together with any other person named in the warrant and any other police officer to enter the premises specified in the information or, as the case may be, any premises where the vehicle, vessel or aircraft so specified may be at any time within one month from the date of the warrant, and to search the premises or as the case may be the vehicle, vessel or aircraft.

(2) The person authorised by a warrant to search any premises or any vehicle, vessel or aircraft may search every person who is found in or whom he has reasonable grounds to believe to have recently left or to be about to enter those premises or that vehicle, vessel or aircraft, as the case may be, and may seize any books, records, vouchers, documents, cash or securities found in the possession of that person or in the premises or in the vehicle, vessel or aircraft which he has reasonable grounds for believing ought to have been produced under section 19(3).

(3) In pursuance of any warrant issued under this section, no female shall be searched except by a female.

(4) Where under this section a person has the power to enter any premises, he may use any force reasonably necessary for the purpose of exercising that power.

(5) A person who obstructs the Authority or any other person in the exercise of any power conferred under this section commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of six months, or both.

## **25. False or misleading information**

A licensee, director or an officer of a licensee who knowingly or willfully supplies false or misleading information to the Authority commits an offence and is liable on summary conviction to a fine of two thousand dollars or to imprisonment for a term of three months, or both.

## **26. General penalty**

A person who commits an offence against this Act for which no penalty is specified, is liable on summary conviction to a fine of two thousand dollars or to imprisonment for a term of three months.

## **27. Offences by officers of corporate bodies**

(1) Where an offence under this Act, committed by a body corporate, is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of any director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in that capacity he as well as the body corporate commits that offence and is liable to be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

## **28. Appeals**

(1) An aggrieved person may appeal to the Court from a decision of the Authority—

- (a) revoking a licence under section 8(2), 20(2)(a), 20(5)(d) or 20(6); or
- (b) requiring a licensee to take certain steps which the Authority may specify under section 20.

(2) A person aggrieved by a decision of the Authority may appeal to the Court by fixed date claim form in accordance with Form 2 of the Eastern Caribbean Supreme Court Civil Procedure Rules with annexed grounds of appeal within twenty-eight days of receiving the notice of the decision by the Authority.

(3) The aggrieved person shall serve the claim form and grounds of appeal on the Authority and every party to the proceedings in which the decision was made.

(4) In accordance with Part 60 of the Eastern Caribbean Supreme Court Civil Procedure Rules the date for the first hearing must not be less than twenty eight days nor more than fifty six days after the issue of the claim form.

(5) At the hearing of the appeal the appellant shall be governed by the rules set down in Part 60 of the Eastern Caribbean Supreme Court Civil Procedure Rules.

(6) The Court may, upon the hearing of the appeal confirm, reverse, vary or modify the decision of the Authority or remit the matter with the opinion of the Court to the Authority.

(7) An appeal against a decision of the Authority shall not have the effect of suspending the execution of the decision.

## **29. Immunity**

Neither the Authority nor an employee of the Authority, acting in accordance with the policies and procedures of the Authority, shall be liable in damages for anything done or omitted in the discharge or purported discharge of its functions under this Act unless it is shown that the act or omission was in bad faith.

## **30. Regulations**

The Minister may make Regulations—

- (a) to control the form of advertising by licensees;
- (b) to provide for the formation and maintenance, by the Authority, of a record of licensees; and
- (c) generally for carrying this Act into effect.

## **31. Directions**

The Authority may, from time to time, issue directions—

- (a) generally for the guidance of licensees in the exercise of their duties under this Act; and
- (b) to specific licensees where necessary,

and it shall be the duty of each licensee to put into effect and to carry out the direction.

## **32. Savings and transitional provisions**

(1) A person who immediately before the date of commencement of this Act was carrying on money services business, shall upon that date be deemed to be duly licensed under this Act for a period of four months, and must reapply for a licence prior to the expiry of that period.

(2) This Act has no application to or effect upon the validity of any money services business transaction in existence at the date of commencement of this Act.

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### **First Schedule**

[Section 5.]

*Information to be Contained in and to Accompany an Application for the Grant of a Licence*

1. The name and address of the money services business in respect of which the licence is sought.
2. The name and address of the applicant.
3. The address of the principal office of the applicant and of its registered office if different.

- 4.** If the applicant is a corporation, limited liability company, partnership or other entity the applicant must provide—
- (a) the date and place of incorporation or formation and a copy of the memorandum and articles of association, Act, charter, partnership agreement or other instrument constituting and defining the constitution of the applicant verified by a declaration made by one of its directors or partners or its secretary; and
  - (b) a brief description of the structure or organisation of the applicant including any parent or subsidiary of the applicant.
- 5.** (1) The name and address of each person who—
- (a) owns or controls the money services business;
  - (b) is a director or officer of the money services business;
  - (c) is an agent of the applicant;
  - (d) otherwise participates in the conduct of the affairs of the money services business.
- (2) The following information is also required from the named persons in item 5(1) and each key shareholder—
- (a) legal name and any alias and residential address;
  - (b) occupation (over the previous five years) and business address;
  - (c) date of birth;
  - (d) citizenship;
  - (e) National Insurance or other social security number;
  - (f) passport or national identification number.
- 6.** The name and address of any depository institution at which a transaction account is maintained for the purposes of the money services business.
- 7.** Where appropriate a statement in writing in a form acceptable to the Authority from the body responsible for the administration of the laws relating to money services businesses and the supervision of the businesses in the country in which the applicant or its parent company is incorporated that the body has no objection to the application being made.
- 8.** If the applicant is a company the following information is required—
- (a) in the case of an existing company, the annual accounts, for the current year, of each key shareholder which is a body corporate, together with similar accounts for the parent body, if any, of each of the bodies corporate or, if the company is in existence for more than two years, the annual account for the two year period preceding the submission of the application;
  - (b) in the case of a new company, a statement of the assets and liabilities, and certified statement of net worth of the key shareholders;
  - (c) two or more references verifying the good financial standing of each director and each key shareholder who is a natural person;
  - (d) a list certified by its secretary containing the full names, addresses and nationalities of its directors, managers and officers;
  - (e) for each of the persons referred to in paragraph (d) two character references, a police or other certificate satisfactory to the Authority that the person has not been convicted of a serious crime or any offence involving dishonesty;
  - (f) the name and address of its proposed auditor;

- (g) a statement giving the date for the drawing up of the annual accounts of the applicant;
  - (h) confirmation in writing under the hand of the presiding officer of the applicant and the presiding officer of its parent body, if any, that they concur in the making of the application;
  - (i) a detailed business plan, containing details of the current money services business activities, if any, of the applicant and its proposed activities if the licence applied for is granted, including—
    - (i) the reasons for wishing to obtain the licence sought,
    - (ii) the business aims of the applicant in respect of the money services business and its potential client base,
    - (iii) a detailed statement setting out its proposed initial assets and its proposed assets and expected liabilities at the end of each of the two years next succeeding the date of the grant together with an estimate of expected income,
    - (iv) particulars of its management structure and personnel,
    - (v) the names and addresses of the registered offices of all subsidiary companies of the applicant together with a statement as to how much of the capital of each company constitutes an asset of the applicant,
    - (vi) a chart showing the relationship to its subsidiaries and affiliates and any holding company, and
    - (vii) a brief description of each of its subsidiaries and affiliates,
    - (viii) details of the identified economic needs that the company intends to meet, growth prospects in that service area over the next five years, the exact nature and source of capital financing to be made available to the company for start-up and ongoing operations;
  - (j) details of the applicant's proposals for establishing and maintaining, in respect of the money services business, systems of control, inspection and report, if the licence applied for is granted;
  - (k) in the case of a company incorporated outside Saint Vincent and the Grenadines, the name and address of the supervisory authority or regulatory authority responsible for the supervision of each of the applicant's agents operating outside Saint Vincent and the Grenadines.
- 9.** If the applicant is a franchise holder the contract and any other documents relating to the operation of the franchise.
- 10.** General requirements—
- (a) the applicant must submit a description of any money services business, other than that which is the subject of the application, previously or currently engaged in by the applicant;
  - (b) the applicant must submit completed copies of a Personal Questionnaire for each executive officer, director and key shareholder;
  - (c) the applicant must submit copies of the applicant's audited financial statements;
  - (d) the applicant must provide evidence, satisfactory to the Authority, of the source of the Statutory deposit.
- 11.** Any other information requested by the Authority.

## PERSONAL QUESTIONNAIRE

*For Persons Listed in Item 10*

PART A

Name: .....

Previous names (if any): .....

Aliases: ..... Date of Birth: .....

Citizenship: .....

National Insurance or other Social Security Number: .....

Passport or National Identification Number: .....

Address (Home and Business): .....

.....

Occupation: .....

1. Have you at any time been charged or convicted of any offence by a civil, criminal or military court? (excluding minor Road Traffic offences). If so, please give details of charge, and if convicted, the date of conviction and full particulars of the offence and the penalty imposed.

.....  
.....

2. Have you ever been required to give evidence in any trial or proceedings involving fraud, dishonesty or similar matters, other than as an expert witness? If so, give particulars.

.....  
.....

3. Have you ever been the subject of investigation or disciplinary procedures, censured, disciplined or publicly criticised by any professional body to which you belong or have belonged? If so, give particulars.

.....  
.....

4. Have you ever been refused entry to any profession or vocation? If so, give particulars.

.....

5. Have you ever been dismissed or requested to resign from any office or employment? If so, give particulars.

.....  
.....

6. Have you ever been censured, disciplined or publicly criticized by, or made the subject of a court order at the instigation of—

(a) any regulatory authority?

(b) any officially appointed enquiry?

(c) any other established body concerned with the regulation of a relevant activity (as described in the glossary at the end of this form) ? If so, give particulars.

.....  
.....

7. In connection with the formation or management of any corporation, have you been adjudged by a court civilly or criminally liable for any fraud, misfeasance or other misconduct towards that corporation or any member of the corporation? If so, give particulars.

.....  
.....

8. In connection with the formation or management of any corporation have you been disqualified by a court from being a director or from acting in the management or conduct of the affairs of any corporation? If so, give particulars.

.....  
.....

9. Have you ever—



- (a) had a receiving order made against you?
- (b) had your estate sequestrated?
- (c) entered into a Deed of Arrangement, or other composition or arrangement with your creditors?

If so, give particulars.

.....  
 .....

10. Has a bankruptcy petition ever been served on you? If pending, give details of the circumstances and if not pending, how was the matter resolved?

.....  
 .....

11. Have you, your company or your employer, previously dealt on a regular basis with any person carrying on a relevant activity (as described in the glossary at the end of this form) who has, to your knowledge at any time, indicated that he is unwilling to effect further transactions with you, your company or your employer, by reason of any act or omission by you? If so, give particulars.

.....  
 .....

12. Will you be actively engaged in the business or the entity to which this application relates and devote the major portion of your time to it?

.....  
 .....

## PART B

### *Related or Other Interest*

1. Are you a director of any company, partnership, corporate body or any other business organisation engaged in money services business? If so, state—

- (a) name of company or corporation, etc.;
- (b) nature of business;
- (c) date of commencement of directorship;
- (d) whether or not employed on service contract (for example, managing directorship) in any case.

2. Have you been a director of a deposit taking institution, credit extending institution, other financial service provider, any other limited company or corporation other than those stated in the previous questions? If so, state—

- (a) name of company or corporation;
- (b) nature of business;
- (c) date of commencement of directorship;
- (d) date of cessation of directorship.

3. Are you or have you been engaged—

- (a) in partnership? or
- (b) in business as a principal on your own account?

If so, give particulars.

.....  
 .....

4. Are you a beneficial owner of any controlling interest in any unlisted private or public company? If so, give particulars.

.....  
 .....

5. Have you ever been a director of, or directly concerned with the management of a bank or other financial institution—

- (a) that has been wound up by a court?
- (b) the licence of which has been revoked?
- (c) which has been place in receivership?
- (d) which has entered into a composition with its creditors?
- (e) whose business had been adjudged by a court to have been conducted imprudently or fraudulently?
- (f) which has failed to meet the solvency requirements prescribed by law?

If so, give particulars.

.....

.....

6. Have you ever been a director, or been directly concerned with the management or conduct of affairs of any company which has gone into liquidation, whilst you were, or within one year of your being a director, or so concerned? If so, give details of the circumstances including the following—

- (a) name of company;
- (b) name of liquidator;
- (c) address of liquidator.

7. Have you ever been concerned with the management or conduct of affairs or any corporation which, by reason of any matter relating to a time when you were so concerned, has been censured, disciplined or publicly criticized by—

- (a) any regulatory authority?
- (b) any official appointed enquiry?
- (c) any other body concerned with regulation of a relevant activity?

If so, give particulars.

.....

.....

8. Do you (in your personal capacity or through any entity controlled by you) have outstanding debt of any amount sixty or more days in arrears? If so, state the following—

- (a) form;
- (b) amount;
- (c) source;
- (d) maturity date.

9. Has any person, firm or company guaranteed the indebtedness? If so, give particulars (see previous question).

.....

.....

10. Are you at present guaranteeing the debts and obligations of any third parties? If so, give particulars.

.....

.....

I, ....., certify that all the statements contained in this questionnaire are true, accurate and fair to the best of my knowledge and belief.

.....  
Signature

*Audited Financial Statements*

1. If the applicant is a business that was in existence and operating prior to the date of application, copies of audited financial statements (balance sheet, profit and loss, auditor's report and notes to accounts) for the five consecutive years immediately preceding its application, except however that where such applicant has been functioning for less than five years, a copy of its Audited Financial statements for each year it has been in operation shall be sufficient.
2. Where item 1 is not applicable the opening balance sheet, (audited).
3. Operating projections for the proposed licensee's first five years of business. This should include balance sheet, income statements and cash flow projections prepared in an acceptable accounting format. Details of any financial and or economic assumptions on which these projections are based should be clearly indicated.
4. Where applicant is a subsidiary or affiliate of another company, submit in addition to item 1 or 2, audited financial statements of the parent company and all other "connected" companies.

*Glossary*

“**Corporation**” means a body corporate, incorporated in Saint Vincent and the Grenadines or elsewhere;

“**relevant activity**” means—

- (a) banking, finance, insurance, money-lending, money management, debt-financing, hire purchase, leasing or other financial activities;
- (b) dealing in securities;
- (c) providing investment or financial advice and management.

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**Second Schedule**

[Section 5.]

*Form of Licence*

MONEY SERVICES BUSINESS ACT, 2005

[No. of ..... [year].]

Licence

No. .... is licensed under the Money Services Act, 2005, to carry on money services business within Saint Vincent and the Grenadines subject to the following conditions—

The licensee shall forthwith notify the Authority of any change in the information supplied in the application for this licence.

.....  
 Granted this day of ....., at Kingstown in Saint Vincent and the Grenadines of Saint Vincent and the Grenadines.

.....  
*Authority*

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**Third Schedule**

[Section 5.]

*Fees*

Application fee under section 5(4) .....	\$ 3,000.00
Annual fee under section 5(8) .....	\$10,000.00

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**CHAPTER 260  
MONEY SERVICES BUSINESS ACT**

**SUBSIDIARY LEGISLATION**

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*No Subsidiary Legislation*

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