



ANGUILLA FINANCIAL SERVICES COMMISSION

LICENSING PROCESS

1.0 Introduction

The licensing of an institution is the most important stage in the regulatory process, as it embodies the gate keeping function of the Commission. The Commission has an opportunity at the licensing stage to weed out potentially undesirable persons and entities from entry into the financial system.

The provision of a licence to operate in Anguilla is a privilege bestowed on the recipient; this is not a right of an applicant. On satisfying the requirements of the relevant legislation, regulations and regulatory directives, the Commission must also make a determination on whether, in its view, it would be in the public's interest to grant the requested licence.

Licensing Objective

The objective of the licensing process is to make an informed judgement on the character, competence/capabilities, financial strength, compliance potential and likely contribution of the applicant. Arriving at this judgement is not an easy process, and the conclusion is not based on a linear or totally quantifiable analysis as qualitative factors such as reputation and character are also considered. Accordingly, the success of the process is highly dependent on the experience, training and adaptability of the assessor.

Application Documentation

To facilitate the assessment detailed under the 'licensing objective' section, the Commission will generally require the following documents, collated in the order presented below:

- 1.0 A checklist detailing all documents which form part of the application

- 2.0 *Completed*¹ relevant application form² with the following supporting documents:
 - 2.1 Evidence of incorporation (certificate of incorporation), where necessary
 - 2.2 Evidence of adequate capitalisation
 - 2.3 Letter(s) of good standing for the applicant from its home regulator(s), professional bodies, business associations and/or bankers
 - 2.4 Letter(s) of undertaking from banker, auditor, lawyer and any other material service provider
 - 2.5 Copies of relevant service contracts with a significant impact on the applicant's proposed line of business i.e. custodian agreement, reinsurance contract, etc.
- 3.0 *Completed* personal questionnaires for all significant shareholders (controlling interest of 10% or more), directors, senior officer(s) and compliance/money laundering reporting officer(s). Personal questionnaires should be accompanied by the following supporting documents:
 - 3.1 Résumé (summary of qualifications and experience) for directors and senior officers
 - 3.2 Listing of ownership stake (by percentage) held in other companies
 - 3.3 References (where applicable) for directors and senior officers
- 4.0 A copy of any feasibility study conducted
- 5.0 Business plan supported by assumptions/rationales and a three year financial projection; this should also include a statement explaining the rationale for the application.
- 6.0 Opening balance sheet with supporting evidence of required capital or statutory deposit (where not shown in the balance sheet); statement of net worth for an individual applicant
- 7.0 Operating policies and procedures, with particular emphasis on due diligence procedures, record keeping and retention, and know your customer procedures

¹ All questions on the application forms should be answered; an appropriate response should be provided where the question is not applicable or the information is not available.

² Application forms are usually available as part of the regulations to the applicable legislation for the type of business being pursued.

8.0 Financial statements for the applicant's parent company (where applicable)

Applications for change of director(s) should be signed by the current authorised signatures of the applicant and not the person being proposed as a new director.

All documents should be dated, signed and/or stamped as or where appropriate. Documents should be securely bound and appendices should be numbered and cross-referenced within the application or supporting documents.

Application Review Process

The Commission is committed to reviewing and providing a decision on all applications within three weeks of receipt of the *completed* application package.

The application review process will not commence prior to receipt of the requisite application fee³ and submission of all relevant documents (see application documentation). Applicants will be required to resubmit applications which do not satisfy the Commission's licensing documentation requirement. Given the resource requirement, the Commission will not accept responsibility for collating multiple submissions of documents on behalf of applicants. Accordingly, applications should not be submitted prior to all the documents being in place.

While the Commission will continue to facilitate the submission of application documents via electronic mail, this should be more of an exception rather than the standard practice. Documents requiring signature(s) should be submitted in their original form or as certified copies.

Conclusion

The Commission treasures applicants' interest in doing business in Anguilla and recognises that, in this competitive environment, applicants have several options for conducting their business. Accordingly, we will continue to make every effort to accommodate applicants while pursuing the mutually beneficial objective of standardising and streamlining the application review process. A more objective and streamlined process will only redound to the benefit of the industry.

³ Only the application fee is required on submission of an application; the licence fee will become payable after approval has been granted for the issuance of the licence.