



ANGUILLA FINANCIAL SERVICES COMMISSION

13 May, 2022

Consultation Note:

The Securities and Investment Funds Bill

The Anguilla Financial Services Commission (“AFSC”) has issued the Securities and Investment Funds (“SIFA”) Bill for the second consultation period and the SIFA Regulations for the first consultation period.

As a part of ongoing legislative reform, these Bills are a part of the update to Anguilla’s regulatory regime. The SIFA legislation in Anguilla will enable the establishment of fund structures primarily intended for investment by institutional, professional, sophisticated, and high net worth investors. The regulatory regime will be lighter touch, and focused on institutional investors, with the exception of public (retail) funds. The draft bill allows for investment funds to be established with all currencies, with the exception of the Eastern Caribbean dollar.

The SIFA Bill provides for various categories in which a fund may be registered, as well as provides a regulatory regime for persons seeking to operate as administrator, depositary, custodian, promoter, or manager of a fund. In addition, the bill outlines the framework for regulated Digital Payment Token Services. Of note, only approved professional funds can be established to invest in cryptocurrencies, digital payment tokens or other digital assets or carrying on any other digital payment token service in or from within Anguilla.

As a compliment to the Variable Capital Company (“VCC”) Bill republished for consultation on 12 May, 2022, under the SIFA Bill, an entity is incorporated as a VCC may be formed as a fund with a variable capital structure with ability to pay dividends out of capital. The SIFA bill also introduces the regulation of Securities Exchanges.

This consultation is intended to identify any major areas of concern with the draft legislation. The AFSC hereby invites persons to provide comments on the second draft of the captioned legislation. Persons are invited to provide their comments to the AFSC at sherine.brooks@afsc.ai by close of business on **Monday, 13 June, 2022**.

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