



ANGUILLA FINANCIAL SERVICES COMMISSION

FROM THE OFFICE OF THE DIRECTOR

GH/rjh

Via: Email

18 December 2014

Dear Service Provider,

Re: Consultation with key stakeholders on the draft Investment Business Act

On 19 February 2014 and 2 October 2014 respectively, the Commission published a draft Investment Business Act and draft Investment Business Regulations for comment. The Commission has now approved the following attached document to be published for comment:

1. Draft Code of Practice for Investment Business

We request that you provide your comments on the draft Code by **Friday, 30 January 2015**. These should be forwarded to Robert Hudson, Deputy Director, at the following email address: info@afsc.ai.

We would like to draw your attention to the following matters in particular:

On 19 February 2014, the Commission published a consultation paper entitled “Developing Anguilla’s Investment Business” (the “Consultation Paper”). The Consultation Paper is accessible on our website at <http://www.fsc.org.ai/PDF/CONSULTATION%20PAPER%20DEVELOPING%20ANGUILLA'S%20INVESTMENT%20BUSINESS.pdf>. Section 5 of the Consultation Paper sets out background information relating to transitional periods. Schedule 3 to the draft Code does not set out specific transition periods. The Commission would be grateful for comment on appropriate transitional provisions.

Section 5.8 of the Consultation Paper proposes certain capital adequacy and solvency requirements. The draft Code places less emphasis on capital and solvency and more emphasis on liquidity, as measured by “Adjusted Net Liquid Assets”. Again, the Commission would be grateful for comment on this approach to ensuring that investment businesses have adequate financial resources.

Your assistance with this important initiative is appreciated.

Yours sincerely,

Gerry Halischuk
Director

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