



ANGUILLA FINANCIAL SERVICES COMMISSION

NOTICE

OVERSEAS AGENTS IN A CHANGING REGULATORY ENVIRONMENT

In March 2016, the Anguilla Financial Services Commission (the “Commission”) and the Anguilla Ministry of Finance circulated for comment to financial services industry members a Consultation Paper entitled “Overseas Agents in a Changing Regulatory Environment”. The Consultation Paper presented a draft proposal to replace the existing overseas agent system with direct licensing by the Commission to conduct company management business. The draft proposal in the Consultation Paper was presented in consideration of

- the money laundering and terrorist financing risk faced by relevant licensees in Anguilla;
- the liability of licensees for the non-compliance of overseas agents with AML/CFT legislation;
- the reputation of the jurisdiction; and
- the application of international standards.

The Consultation Paper, revised after consideration of comments received, was recirculated for comment in August 2016. The Revised Consultation Paper is attached along with the comments received from financial services industry members on the Consultation Paper and the Revised Consultation Paper.

The Board of the Commission, after reviewing the Consultation Paper, the Revised Consultation Paper and the comments of financial services industry members, has approved implementation of the following recommendation:

The transitioning out of the overseas agent system (except in the case where the overseas agent is an affiliate or subsidiary of the licensee) over the course of a one-year period during which existing overseas agents must submit an application to the Commission to become licensees or enter into an agreement with a licensee to become an intermediary or introducer of the licensee where the licensee incorporates all companies. In cases where the overseas agent is an affiliate or subsidiary of the licensee, the licensee must have adequate policies and procedures in place to address compliance with the AML/CFT legislation.

The one-year period, during which an existing overseas agent must submit an application to the Commission to become a licensee or enter into an agreement with a licensee to become an intermediary or introducer of the licensee where the licensee incorporates all companies, commences **1 January 2017**.

Anguilla Financial Services Commission

31 October 2016
