

SAINT VINCENT AND THE GRENADINES**FINANCIAL SERVICES AUTHORITY (AMENDMENT) ACT 2025****ARRANGEMENT OF SECTIONS****SECTION**

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SAINT VINCENT AND THE GRENADINES

ACT NO. 8 OF 2025

I ASSENT

SUSAN DOUGAN
Governor-General
11th July, 2025.

[L.S.]

AN ACT to amend the Financial Services Authority Act 2011, No. 33 of 2011.

THE PARLIAMENT of Saint Vincent and the Grenadines enacts as follows:

Short title

1. This Act may be cited as the Financial Services Authority (Amendment) Act 2025.

Amendment of section 2 of Financial Services Authority Act 2011

2. Section 2 of the Financial Services Authority Act, referred to in this Act as the principal Act, is amended by —

(a) deleting the definition of “director” and inserting the following definition —

“director” —

- (a) in relation to the Authority, means a person appointed to be a director of the Authority under Schedule 1; and
- (b) in relation to a financial entity or registered entity, means a person who has been appointed to direct the affairs of a financial entity or registered entity and includes a person who —
 - (i) is a member of the governing body of the financial entity or registered entity; or
 - (ii) occupies the position of director of the financial entity or registered entity, by whatever name called;

(b) inserting the following definition after the definition of "investigator" –

"key functionary" in relation to a financial entity or registered entity means a person employed with the financial entity or registered entity and who has high levels of responsibility or undertakes managerial duties for the financial entity or registered entity.

(c) deleting the definition of "licence" and inserting the following definition –

"licence" means an authorisation, approval, registration, recognition, or a licence, certificate, or other form of document granted under a registry legislation or a specified enactment;

(No. 33 of 2011)

Repeal of section 8 of principal Act

3. Section 8 of the principal Act is repealed.

Repeal of section 9 of principal Act

4. Section 9 of the principal Act is repealed.

Repeal of section 10 of principal Act

5. Section 10 of the principal Act is repealed.

Repeal of section 11 of principal Act

6. Section 11 of the principal Act is repealed.

Repeal of Part III and insertion of Parts III to III F

7. Part III of the principal Act is repealed and the following parts are inserted –

"PART III
FINANCIAL REPORTING REQUIREMENTS

Financial reporting

21. (1) Within the periods set out in the specified enactments a financial entity shall file financial statements or annual audited financial statements with the Authority.

(2) Where a specified enactment prescribes no period for the filing of financial statements or annual audited financial statements, a financial entity shall file –

(a) financial statements within one month of the end of each calendar quarter; and

(b) annual audited financial statements within six months of the end of the financial year;

(3) In addition to the furnishing of the financial statements under subsection (1), a financial entity shall furnish to the Authority at the time as the Executive Director may fix in writing, the time being reasonable in all the circumstances and in the manner as may be specified, the following information relating to its business operations –

- (a) any information relating to the financial statements or any information relating to the financial returns of the financial entity;
- (b) any information the Authority considers necessary in respect of any affiliate of the financial entity; and
- (c) any information, records or documents the Authority considers necessary for the purpose of carrying out its functions under section 5 (1) (c).

Appointment of auditor

22. (1) A financial entity shall appoint an auditor annually to conduct an audit of that financial entity.

(2) An auditor may not be appointed by a financial entity for the purposes of this section, unless the auditor is approved by the Authority as having the capacity and resources to satisfactorily audit that particular financial entity.

(3) A former director or former officer or employee of a financial entity shall not be eligible for appointment as an auditor of the financial entity within a period of three years after the termination of his term as a director, officer or employee.

(4) A director, officer, employee or agent of a financial entity or other person having a substantial interest in a financial entity shall not be eligible for appointment as an auditor of the financial entity.

(5) A financial entity –

- (a) shall give notice in writing to the Authority if –
 - (i) the financial entity fails to appoint an auditor; or
 - (ii) the financial entity intends to terminate the appointment of its auditor; and
- (b) shall in the notice state the reason for its failure to appoint an auditor or for the intention to terminate the appointment.

(6) An auditor of a financial entity shall forthwith give written notice to the Authority where that auditor –

- (a) resigns before the expiration of his term of office; or
- (b) does not seek re-appointment.

(7) It is the duty of –

- (a) the auditor appointed under subsection (1) to submit a report to the shareholders and directors of the financial entity; and
- (b) the financial entity to submit to the Authority a copy of the audited annual financial statements and a copy of the report referred to in paragraph (a).

(8) It is the duty of the auditor to note in his report and to report to the Authority without delay any instances where the operations of the financial entity might not in his opinion be in compliance with the requirements of this Act, the Regulations, the guidelines or the specified enactments.

(9) Where in the course of an audit an auditor has reason to believe that a crime involving fraud, theft or any other offence involving dishonesty or money laundering or the financing of terrorism has been, is being or is likely to be committed, the auditor shall without delay report the matter to the financial entity and the Authority.

Appointment of auditor by the Authority

23. (1) This section applies where a financial entity –

- (a) (a) fails to appoint an auditor under section 22 (1); or
- (b) (b) terminates the appointment of its auditor without appointing a replacement.

(2) Where subsection (1) applies, the Authority may appoint an auditor who has all the powers of an auditor appointed by a financial entity under section 22 (1) to carry out the audit, and shall fix the remuneration to be paid to the auditor by the financial entity.

(3) Where the Authority is not satisfied with the annual financial statements or the report of the auditor appointed by a financial entity, the Authority may appoint another auditor to conduct an independent audit and shall fix the remuneration to be paid to the auditor by the financial entity.

(4) Section 22 (8) and (9) applies to an auditor appointed under this section.

Authority may request information from auditor

24. (1) When the Authority considers it necessary to do so, the Authority may, request in writing, information obtained in the course of an audit from the auditor of a financial entity.

(2) An auditor shall, within fourteen days of the request referred to in subsection (1), submit the information requested to the Authority.

PART IIIA

GENERAL REPORTING REQUIREMENTS

Disclosure of significant regulatory impact disclosure

25. (1) A financial entity shall disclose to the Authority any matter that might reasonably be expected to have a significant regulatory impact.

(2) Without limiting subsection (1), the following are matters that might reasonably be expected to have a significant regulatory impact –

- (c) any matter that could impact on the ability of the financial entity to continue to carry on business substantially in accordance with its current business or strategic plan;
- (d) any matter that could result in significant financial consequences to the public or other financial entities;
- (e) any incidence of fraud or other criminal activity that is connected with, or may affect, the financial entity's business if the fraud or criminal activity is material to the safety, soundness or reputation of the financial entity.

(3) A disclosure under subsection (1) shall be made immediately after the financial entity –

- (a) becomes aware of the matter concerned; or
- (b) has reasonable grounds for believing that the matter concerned has occurred or that it may occur in the foreseeable future.

(4) A financial entity which fails to disclose material particular which it ought to have reasonably known would have a significant regulatory impact commits an offence and is liable on summary conviction to a fine of fifty thousand dollars.

Disclosure of event and changes

26. (1) Without limiting section 25, a financial entity shall notify the Authority in writing of any event specified in Schedule 5A within the time limit specified against the event or change.

(2) A financial entity shall not, without giving the Authority reasonable prior written notice –

- (a) cause or permit a change in –
 - (i) its name or any business name under which it carries on business; or
 - (ii) the address of its principal office or place of business, whether in or outside Saint Vincent and the Grenadines; or
- (b) carry on business in a manner materially different to its most recent business plan.

(3) A financial entity which fails to comply with subsection (1) commits an offence and is liable on summary conviction to a fine of twenty thousand dollars.

(Schedule 5A)

PART IIIB

COMPLIANCE

Examinations

27. (1) The Authority may, if the Authority considers it necessary, cause an examination to be made into the affairs of –

- (a) a financial entity;
- (b) an affiliate of a financial entity;
- (c) a former financial entity; or
- (d) a person connected with a person specified in paragraph (a), (b) or (c).

(2) An examination under this section may be conducted by a officer of the Authority or by a person authorised by it –

- (a) to determine whether this Act, the Regulations or the guidelines as well as the provisions of the specified

enactments are being complied with or have been complied with;

- (b) to determine whether the Proceeds of Crime Act 2013, the Anti-Money Laundering and Terrorist Financing Regulations 2014, the Anti-Money Laundering and Terrorist Financing Code 2017 or any other written laws or guidelines relating to money laundering or the financing of terrorism are being complied with or have been complied with;

(No. 38 of 2013, No. 20 of 2014, No. 24 of 2017)

- (c) to determine whether a financial entity is in a sound financial condition; or
- (d) for any other reason which in the opinion of the Authority is necessary for the purposes of due diligence or in the interest of the customers of a financial entity.

(3) Where necessary, the Authority may in respect of a person specified in subsection (1) request any information from the appropriate authorities in a country or territory outside Saint Vincent and the Grenadines.

Examination expenses

28. The Authority may impose charges as are necessary to meet the expenses relating to an examination under this Act on the person who is being examined or where the examination is sought by interested persons those persons may be required to meet the expenses.

Production of documents and information

29. An auditor, officer or employee of a person specified in section 27 (1) shall produce for an examiner at the time as the examiner fixes, the time being reasonable in all the circumstances, all books, minutes, cash, securities, vouchers, invoices, contracts and other documents and records relating to the assets, liabilities and business generally of the person concerned and shall give the examiner information concerning the affairs and business of the person concerned as the examiner may request orally or in writing.

Investigations

30. (1) The Authority may, where the Authority considers it necessary, authorise a suitably qualified person to conduct an investigation into the affairs of a financial entity or registered entity.

(2) Where an investigation is being conducted under this Act, an investigator may –

- (a) request information from the financial entity or registered entity; or
- (b) make enquiries into the operations of the financial entity or registered entity from –
 - (i) a former auditor, former director, former officer or former employee of the financial entity or registered entity;
 - (ii) a person possessing or likely to possess information in respect of the operations of the

financial entity or registered entity by reason of that person's connections or association with the financial entity or registered entity; or

- (iii) a person with whom the financial entity or registered entity conducts business.

Powers and responsibilities of examiner and investigator

31. (1) Before conducting an examination or an investigation, the examiner or investigator shall produce evidence of his authorisation to all persons concerned.

(2) An examiner or an investigator may seize any document, record or other information which in his opinion is necessary for the purposes of the examination or investigation.

(3) An examiner or investigator may keep for a reasonable period any document, record or other information seized by the examiner or investigator under subsection (2) and shall on request of the person from whom the document, record or other information was seized, provide copies of the document, record or other information to the person.

(4) An examiner or an investigator shall submit a full report of the examination or the investigation, to the Executive Director at the conclusion of the proceedings and to the board of directors of a financial entity or registered entity.

No liability for disclosing information

32. A person who is required under this Act to make any disclosure for the purposes of an examination, an investigation or for any other purpose shall not by reason of making that disclosure be regarded as being in breach of any written law, rule of law, agreement or professional code of conduct to which that person is subject and no civil, criminal or disciplinary proceedings shall lie against him in respect thereof.

Offence of not producing information

33. (1) A person who is required to give information commits an offence where the person fails –

- (a) to produce any document or record requested by an examiner or an investigator within a reasonable time; or
- (b) to give any information requested to the examiner or the investigator within a reasonable time.

(2) A person who commits an offence under subsection (1) is liable on summary conviction to a fine of sixty thousand dollars or to imprisonment for one year or to both and, in addition, to a further fine of three thousand dollars for each day during which the offence continues.

Tampering with evidence

34. (1) A person commits an offence who –

- (a) destroys, falsifies, conceals or disposes of any document, information or other thing that the person knows or ought reasonably to know is relevant to an examination or investigation conducted under this Act; or

(b) causes or permits the destruction, falsification, concealment or disposal of any document, information or other thing that the person knows or ought reasonably to know is relevant to an examination or investigation conducted under this Act.

(2) A person who commits an offence under subsection (1) is liable on conviction on indictment to a fine of one hundred thousand dollars or to imprisonment for five years or to both.

Obstruction

35. (1) A person commits an offence who –

(a) obstructs the carrying out by an auditor or an examiner of the auditor's or the examiner's proper function under this Act; or

(b) in any way obstructs an examination or investigation conducted under this Act.

(2) A person who commits an offence under subsection (1) is liable on conviction on indictment to a fine of two hundred thousand dollars or to imprisonment for five years or to both.

PART IIIC

ENFORCEMENT

Enforcement action

36. (1) The Authority may take enforcement action against a financial entity or registered entity if –

(a) in the opinion of the Authority, the financial entity or registered entity –

(i) has contravened or is in contravention of this Act, the Regulations, the guidelines, a registry legislation or specified enactment;

(ii) has contravened or is in contravention of the Proceeds of Crime Act 2013, the Anti-Money Laundering and Terrorist Financing Regulations 2014, the Anti-Money Laundering and Terrorist Financing Code 2017 or the other written laws or guidelines relating to money laundering or the financing of terrorism;

(No. 38 of 2013, No. 20 of 2014, No. 24 of 2017)

(iii) is carrying on or is likely to carry on business in a manner detrimental to the public interest or to the interest of clients, creditors or investors;

(iv) is likely to become insolvent;

(v) has failed to comply with a directive given to it by the Authority; or

(vi) is in breach of a condition of its licence;

(vii) does not satisfy the Authority's fit and proper criteria;

(viii) has failed without reasonable excuse to provide requested information to the Authority;

(ix) has provided the Authority with false, inaccurate or misleading information, whether on making an application for a licence or subsequent to the issue of the licence;

(b) in the opinion of the Authority –

(i) a person having a share or interest in the financial entity or registered entity, whether equitable or legal, or a director or key functionary of the financial entity or registered entity, is not a fit and proper person to have an interest in or to be concerned with the management of a financial entity or registered entity;

(ii) a financial entity or registered entity or a director, key functionary or shareholder of the financial entity or registered entity has failed to cooperate with the Authority on an examination conducted by the Authority;

(c) the directors or members of the financial entity or registered entity or the High Court has appointed a liquidator or receiver;

(d) the financial entity or registered entity fails to pay on or before the due date an administrative penalty imposed –

(i) under this Act or the Regulations;

(ii) under the written laws or guidelines relating to money laundering or the financing of terrorism; or

(iii) under any other written law under which the Authority has the power to impose an administrative penalty.

(2) The Authority may take enforcement action against a person

who –

(a) is operating a financial entity or registered entity without being licensed or registered;

(b) fails to comply with a directive given to him by the Authority; or

(c) fails to pay on or before the due date an administrative penalty imposed –

(i) under this Act or the Regulations

(ii) under the written laws or guidelines relating to money laundering or the financing of terrorism; or

(iii) under any other written law under which the Authority has the power to impose an administrative penalty.

(3) If the Authority is entitled to take enforcement action against a financial entity or registered entity under subsection (1), the Authority may exercise one or more of the following powers –

- (a) appoint an examiner for a financial entity under section 27;
- (b) initiate and conduct an investigation into a financial entity under section 30;
- (c) cancel or suspend the licence of the financial entity or registered entity under section 37;
- (d) issue a directive under section 38;
- (e) appoint a qualified person or require a financial entity or registered entity to appoint a qualified person under section 39;
- (f) apply to the High Court for a freezing order under section 40;
- (g) require a financial entity or a registered entity to remove personnel under section 43;
- (h) issue a warning letter against the financial entity or registered entity;
- (i) seize the management and control of a financial entity or registered entity or take any other necessary action for the purpose of protecting the interests of customers of the financial entity or registered entity, as well as creditors and the public and ensuring that the financial entity or registered entity remains financially sound; or
- (j) impose an administrative penalty on the financial entity or registered entity as may be provided in the Regulations or the written laws or guidelines relating to money laundering or the financing of terrorism or any other written law under which the Authority has the power to impose an administrative penalty.

(4) If the Authority is entitled to take enforcement action against a person under subsection (2), the Authority may exercise one or more of the following powers –

- (a) issue an order against the person to cease operating without a licence;
- (b) appoint an examiner under section 27 to conduct an examination under section 27 as if the person were a financial entity;
- (c) initiate and conduct an investigation as the Authority thinks fit under section 30;
- (d) issue a directive under section 38;
- (e) issue a warning letter against the person;
- (f) take action under section 43; or
- (g) impose administrative penalties on the person as may be provided in this Act, the Regulations or the written laws

or guidelines relating to money laundering or the financing of terrorism or any other written law under which the Authority has the power to impose an administrative penalty.

(5) Where a power exercisable by the Authority under subsection (3) or (4) is also exercisable by the Authority under a registry legislation or specified enactment, the Authority may exercise the power either under this Act or under the registry legislation or specified enactment but not both.

(6) The Authority may require a financial entity or registered entity or other person against whom enforcement action is taken to pay costs and expenses as are incurred by the Authority in taking the enforcement action against the financial entity or registered entity or person as the Authority thinks fit.

(7) The power of the Authority under subsections (6) to require a registered entity, financial entity or any other person to pay costs and expenses incurred by the Authority shall be construed to include the power to require payment of costs and expenses associated with any investigation against or in relation to the financial entity or other person, including the appointment of an examiner, irrespective of whether or not enforcement action has been taken against the registered entity, financial entity or other person.

(8) Where a person against whom an enforcement action is taken, pending or contemplated under this section, any subsequent issuing by the Authority of a licence to the person to operate is without prejudice to the Authority's exercise of its powers under this section in respect of the person.

(9) Any action under this Part does not prejudice criminal proceedings for an offence under this Act, the Regulations, a registry legislation or specified enactment.

Cancellation or suspension of licence

37. (1) The Authority may at any time cancel or suspend a licence of a financial entity or registered entity if –

- (a) the Authority is entitled to take enforcement action against the financial entity or registered entity;
- (b) the financial entity or registered entity has failed to commence or has ceased to carry on the business for which it was licensed or registered; or
- (c) the financial entity or registered entity applies to the Authority for its licence to be cancelled.

(2) Subject to subsection (3), the period of suspension of a licence under this section shall not exceed thirty days.

(3) If the Authority is satisfied that it is in the public interest to do so, the Authority may extend the period of suspension of a licence for one or more further periods not exceeding thirty days each.

(4) The Authority may cancel a licence of a financial entity or registered entity if the breach giving rise to the suspension of the licence of the financial entity or registered entity is not remedied within the thirty-day suspension period or any period of extension under subsection (3).

(5) Before cancelling or suspending a licence, the Authority shall give written notice to the holder of the licence stating –

- (a) the grounds on which it intends to suspend or cancel the licence; and
- (b) that unless the holder, by written notice filed with the Authority within thirty days of the notice, shows good reason why its licence should not be cancelled or suspended, the licence will be cancelled or suspended.

(6) Where the Authority cancels the licence of a financial entity or registered entity under this section, the Authority shall give written notice to the financial entity or registered entity.

(7) A financial entity or registered entity that is aggrieved by a cancellation of its licence may within thirty days of receipt of the notification under subsection (6), appeal to the Tribunal.

(8) Where the Authority cancels the licence of a financial entity or registered entity and there is no appeal or the appeal is disallowed, the Authority shall publish notice of the cancellation in the *Gazette*.

Power to issue directives

38. (1) Where the Authority is entitled to take enforcement action against a financial entity or registered entity, the Authority may issue a directive –

- (a) imposing a prohibition, restriction or limitation on the business that may be undertaken by the financial entity or registered entity including –
 - (i) that the financial entity or registered entity shall cease to engage in any class or type of business; or
 - (ii) that the financial entity or registered entity shall not enter into any new contracts for any class or type of business; or
- (b) requiring the financial entity or registered entity to take any other action as the Authority considers may be necessary to protect –
 - (i) the property of, or in the custody, possession or control of, the financial entity or registered entity; or
 - (ii) the customers or creditors or potential customers or creditors of the financial entity or registered entity; or
- (c) requiring the taking of any other action the Authority thinks fit.

(2) A directive issued under subsection (1) may include one or more of the matters set out in paragraph (a) or (b).

(3) Where it appears to the Authority that a person is carrying on unauthorized financial services business without a licence, the Authority may issue a directive to that person –

- (a) requiring him to cease carrying on that business; or
- (b) requiring him to take the other action as the Authority considers may be necessary to protect his property, or

property in his custody, possession or control, or to protect his customers or creditors or potential customers or creditors.

Power to appoint qualified person

39. (1) Where it appears to the Authority that there are or may be grounds for taking enforcement action against a financial entity or registered entity or where the Authority considers it reasonable for purposes of ensuring the proper and effective regulation and supervision of a financial entity or registered entity, the Authority may –

- (a) appoint a qualified person; or
- (b) by notice in writing, require the financial entity or registered entity to appoint a qualified person.

(2) A qualified person appointed under subsection (1) advises the financial entity or registered entity on the proper conduct of the business and affairs of the financial entity or registered entity and provides a report on, or on any aspect of, the business or affairs.

(3) The appointment of the qualified person under subsection (1), whether by the Authority or by the financial entity or registered entity on the requirement of the Authority, is at the cost of the financial entity or registered entity.

(4) The qualified person appointed under subsection (1) shall prepare and submit to the Authority a report on, or on any aspect, of the business or affairs of the financial entity or registered entity.

(5) The Authority may require the report prepared and submitted under subsection (4) to –

- (a) be in a form as may be specified –
 - (i) in the case of an appointment by the Authority, in the letter or other instrument appointing the qualified person; and
 - (ii) in the case of a notice by the Authority requiring a financial entity or registered entity to appoint a qualified person, in the notice; and
- (b) be provided on a periodic basis the Authority may determine.

(6) The person appointed under subsection (1) shall be a person –

- (a) nominated or approved by the Authority; and
- (b) appearing to the Authority to have the skills necessary to make a report on the matter.

(7) A financial entity or registered entity which is providing, or which at any time has provided, services to a financial entity or registered entity in relation to a matter on which a report is required, shall give the person appointed to prepare the report all the assistance he may reasonably require.

Freezing order

40. (1) The Authority may apply to the High Court for a freezing order under this section with respect to –

- (a) a financial entity or registered entity where the Authority is entitled to take enforcement action against the financial entity or registered entity; or
- (b) a person providing financial services without a licence.

(2) On application made under subsection (1), the High Court may grant a freezing order freezing the property of or in the possession or under the control of the financial entity or registered entity or person with respect to whom the application is made and may give directions with regard to –

- (a) the duration of the order;
- (b) the disposal of the property for the purpose of –
 - (i) determining a dispute relating to the ownership of or other interest in the property or part of the property;
 - (ii) the proper administration of the property during the period of freezing;
 - (iii) the payment of debts incurred in good faith prior to the making of the freezing order;
 - (iv) the payment of money to the person with respect to whom the application is made for the reasonable subsistence of that person and that person's family; or
 - (v) the payment of reasonable legal costs incurred by the person with respect to whom the application is made in related civil or criminal proceedings against that person.

(3) The Authority or the Crown shall not be liable for damages or cost arising directly or indirectly from the making of a freezing order under this section unless it is proved on a balance of probability that the application for the freezing order was made in bad faith.

(4) Where under subsection (2) the High Court gives a direction for the administration of frozen property, the person on whom the duty to administer the property is imposed is not liable –

- (a) for any loss or damage to the property;
- (b) for the costs of proceedings taken to establish a claim to the property; or
- (c) to a person having an interest in the property,

unless the High Court is of the opinion that the person has been negligent in respect of taking of custody or control of the property.

Publication of enforcement action

41. (1) Subject to subsection (2), where the Authority takes enforcement action against a financial entity, registered entity or any other person, the Authority shall, publish the name of the financial entity, registered entity or other person in a manner the Authority thinks fit outlining the enforcement action taken and any sanction that the Authority may have imposed.

(2) Where the Authority considers in any particular case in which enforcement action is taken that the nature of the breach or offence giving rise to the

enforcement action, or the type of enforcement action taken, is of a nature as not to warrant publication of the name of a financial entity, registered entity or other person, the Authority may, notwithstanding subsection (1), not publish the name of the financial entity, registered entity or other person.

(3) The Authority may, for the purposes of subsection (2), determine the types of enforcement action that may not warrant publication under subsection (1).

(4) The publication of the enforcement action referred to in subsection (1) shall be made on an Internet site maintained by or on behalf of the Authority and in the manner as the Authority considers fit.

(5) Where the Authority publishes an enforcement action on the Internet site or through any other means under subsection (4), the Authority may –

- (a) determine the period within which the publication may remain published;
- (b) determine that the publication shall remain for an indefinite period;
- (c) specify the condition or conditions that must be satisfied before the publication is terminated or removed; or
- (d) take any other action in relation to the publication as the Authority may consider fit.

Public statements

42. (1) Where the Authority is entitled to take enforcement action against a financial entity, registered entity, former financial entity or registered entity or any other person, the Authority may issue a public statement in a manner as the Authority considers fit setting out the reasons for the enforcement action and the enforcement action that the Authority intends to take, or has taken, against the financial entity, registered entity, former financial entity or registered entity or other person.

(2) Where the Authority considers it in the public interest to do so, the Authority may issue a public statement in a manner the Authority considers fit with respect to –

- (a) a person, who in the opinion of the Authority, is carrying on, intends to carry on or is likely to carry on, unauthorised financial services including as to any action that the Authority intends to take or has taken against that person;
- (b) a person who, not being a financial entity or registered entity, is holding itself out as a financial entity or registered entity; or
- (c) a matter relating to financial services where the Authority considers that the statement is desirable for –
 - (i) the protection of the public, whether within or outside Saint Vincent and the Grenadines, against financial loss arising out of the dishonesty, incompetence, malpractice or insolvency of persons engaged in financial services in Saint Vincent and the Grenadines;

- (ii) the protection and enhancement of the reputation of Saint Vincent and the Grenadines as a provider of financial services;
- (iii) the reduction of crime and other unlawful activities relating to financial services.

(3) Subject to subsection (4), where a public statement is to be issued under this section in relation to a financial entity, registered entity, former financial entity or registered entity or any other person, the Authority shall give that person three days written notice of its intention to issue the public statements and the reasons for the issue of the statement.

(4) If the Authority is of the opinion that it is necessary to do so to protect the public interest or the interests of any of its customers, creditors or investors of a financial entity, registered entity, former financial entity or registered entity or any other person, the Authority may issue a public statement under subsection (3) without notice to the financial entity, registered entity, former financial entity or registered entity or any other person, or with a shorter period as the Authority considers appropriate.

PART IIID

GENERAL SUPERVISORY POWERS

Power to require financial entity or registered entity to remove personnel

43. (1) This section applies to a --

- (a) director of a financial entity or registered entity;
- (b) key functionary of a financial entity or registered entity;
- (c) shareholder of a financial entity or registered entity;
- (d) compliance officer or money laundering reporting officer of a financial entity or registered entity; or
- (e) person undertaking a function for a financial entity or registered entity that may be specified by the Regulations for the purpose of this paragraph.

(2) The Authority may, by notice in writing, require a financial entity or registered entity to remove a person to whom this section applies and, if the Authority considers it appropriate, to replace him with another person acceptable to the Authority where --

- (a) the Authority has reasonable grounds to believe that the person does not satisfy the Authority's fit and proper criteria; or
- (b) the person has been appointed as auditor of the financial entity or registered entity.

(3) A notice under subsection (2) shall state whether the specified requirements have immediate effect or the time period within which the financial entity or registered entity shall comply with the requirements.

(4) Where the Authority requires a financial entity or registered entity to remove a person under subsection (1), the person shall cease to perform any functions in relation to the financial entity or registered entity in accordance with the notice under subsection (2).

(5) A financial entity or registered entity that is required by the Authority to remove a person under subsection (1) shall ensure that the person does not perform any function in relation to the financial entity or registered entity.

(6) The Authority may by notice in writing prohibit a person removed under this section from holding office in the financial entity or registered entity in which he was employed or in another financial entity or registered entity—

- (a) for the specified period as the Authority may determine; or
- (b) for an indefinite period.

(7) A financial entity or registered entity that is aggrieved by a decision of the Authority under this section may within thirty days of the receipt of the written notification of the decision, appeal to the Tribunal.

(8) In this section—

“compliance officer” means the person appointed as a compliance officer of a financial entity or registered entity under section 26 of the Anti-Money Laundering and Terrorist Financing Regulations 2014; and

(No. 20 of 2014)

Power to request information

43A. (1) When the Authority considers it necessary to do so, the Authority may by notice in writing given to—

- (a) a financial entity or registered entity;
- (b) an affiliate of a financial entity or registered entity;
- (c) a former financial entity or registered entity;
- (d) a person connected with a person specified in paragraph (a), (b) or (c); or
- (e) a person reasonably believed to have the documents to which the notice relates,

request at the time and place and in the manner as the Authority fixes, the time being reasonable in all the circumstances, all books, minutes, vouchers, invoices, contracts and other documents and records relating to the assets, liabilities and business generally of the person concerned and the person to whom the notice is given shall give the Authority the information concerning the affairs and business of the person concerned as the Authority may request.

(2) Where a person specified in subsection (1) fails without reasonable excuse to comply with a request made by the Authority under that subsection that person commits an offence and is liable on conviction to a fine of one hundred thousand dollars or to imprisonment for one year or to both.

Power to exchange of information with Financial Intelligence Unit

43B. (1) The Authority may enter into a memorandum of understanding with the Financial Intelligence Unit for the purpose of the exchange of information necessary to enable the Financial Intelligence Unit to exercise its functions.

(2) A memorandum of understanding made under subsection (1) shall—

- (a) set out the scope, procedure and other details of exchange of information;
- (b) provide for reciprocal treatment;
- (c) not provide for disclosure beyond what is provided for under this Act; and
- (d) not relieve the Authority of any functions of the Authority under this Act.

Power to publish information

43C. (1) The Authority may --

- (a) publish in the *Gazette*, in a local newspaper with general circulation in Saint Vincent and the Grenadines and on an Internet site maintained by or on behalf of the Authority, and in the form as may be appropriate, any information which the Authority considers to be of public interest; and
- (b) require financial entities to publish any information or data which, in the opinion of the Authority, is in the public interest.

(2) Where the Authority publishes information under subsection (1) --

- (a) no information in respect of the affairs of a particular customer of a financial entity shall be published; and
- (b) no individual transactions of a particular customer of a financial entity shall be identified in the publication.

(3) Nothing in this section shall be construed as prohibiting the publication of information where the information could be disclosed in accordance with this Act or any other law.

Power to issue guidelines

43D. (1) The Authority may, after consultation with financial entities, issue guidelines to financial entities and their affiliates for the purpose of --

- (a) establishing codes of conduct to guide the financial services sector;
- (b) modernising the financial services sector;
- (c) promoting international standards and best practices;
- (d) the detection, prevention and deterrence of money laundering; and
- (e) the detection of funds allocated or used for the financing of terrorism.

(2) Where the Authority intends to make any substantive modification to the guidelines, the Authority shall consult with the financial entities.

(3) The Authority --

- (a) shall make the guidelines and all amendments to the guidelines available for inspection by the public;
- (b) may at the intervals as the Authority determines, review any guidelines for the time being in force; and

(c) shall publish in the *Gazette* the guidelines issued under this section and any amendment to the guidelines.

(4) A financial entity or an affiliate of a financial entity shall comply with the guidelines.

Exemptions

43E. Unless otherwise provided by this Act, a registry legislation or specified enactment, the Regulations may –

- (a) exempt specified financial entities or registered entities from a requirement under this Act, a registry legislation or specified enactment; or
- (b) provide for the circumstances in which the Authority may exempt specified financial entities or registered entities from specified requirements under this Act, a registry legislation or specified enactment.

PART IIIE

RESTRICTIONS

Prohibition on advertising likely to mislead

43F. (1) A financial entity shall not engage in advertising practices which are likely to mislead the public concerning –

- (a) the relation of the financial entity to the Authority or any department or official of the Authority;
- (b) the financial condition of the financial entity; or
- (c) any other matter relating to the financial entity.

(2) A financial entity that contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of twenty-five thousand dollars.

Restriction on opening branches, offices and subsidiaries

43G. (1) A financial entity shall not, without the prior written approval of the Authority open, maintain or carry on business through a branch, subsidiary or representative office within or outside Saint Vincent and the Grenadines.

(2) Where a financial entity has one or more branches or subsidiaries operating outside Saint Vincent and the Grenadines, the financial entity shall ensure that it has effective oversight of the operations of the branches or subsidiaries.

(3) Without limiting subsection (2), a financial entity with one or more branches or subsidiaries shall ensure that –

- (a) the persons managing the foreign operations have sufficient experience and expertise; and
- (b) the financial entity establishes and implements appropriate policies, systems and controls with respect to its foreign operations to ensure that the overseas operations are operated in a safe and sound manner and in compliance with all relevant legal and regulatory

requirements in the foreign jurisdiction in which the branch or subsidiary operates.

(4) A financial entity shall provide the Authority with any information with respect to its branches and subsidiaries as the Authority reasonably requires to undertake consolidated supervision of its financial entity and its group.

(5) In this section “consolidated supervision” means the supervision by the regulator in the jurisdiction where the head office of the financial entity is located of the financial entity or, where the financial entity is part of a group, that group, in its totality, including –

- (a) the monitoring of all of the risks of the financial entity or group, wherever booked; and
- (b) the assessing of capital adequacy on the basis of the totality of the business of the financial entity or group.

(6) A financial entity which fails to comply with this section is liable to an administrative penalty of five thousand dollars.

Restriction on director or key functionary

43H. A person who was a director or key functionary of a financial entity or registered entity whose licence was cancelled under this Act shall not, without the prior written approval of the Authority, hold office as director or key functionary in another financial entity or registered entity.

PART IIIF

APPEAL TRIBUNAL

Establishment of Appeal Tribunal

43I. (1) For the purpose of hearing appeals under this Act, there is established a Financial Services Authority Appeal Tribunal which shall consist of –

- (a) a Chairperson who shall be a person qualified in law of not less than seven years standing; and
- (b) four other members from amongst persons who appear to the Minister to be qualified as having had experience of and shown capacity in, matters relating to industry, finance, economics, accountancy, commerce or law.

(2) The members of the Tribunal –

- (a) shall be appointed by the Minister with the approval of the Cabinet; and
- (b) subject to sections 43J and 43K, holds office for a period not exceeding three years as specified in the instrument of appointment and are eligible for reappointment.

(3) A Secretary shall be appointed to the Tribunal by the Minister and shall perform the duties to be determined by the Tribunal.

(4) The notice of the appointment and cessation of appointment of a member of the Tribunal shall be published in the *Gazette*.

(5) The members of the Tribunal shall be paid the remuneration and allowances as may be determined by the Minister with the approval of the Cabinet.

(6) If a member of the Tribunal is for any reason temporarily unable to perform his duties, the Minister may appoint some other person to act as a temporary member of the Tribunal during the inability, save that if the member is the Chairperson, the person appointed to act in his stead shall be a person qualified in law of not less than seven years standing.

Resignation

43J. (1) A member of the Tribunal other than the Chairperson may at any time resign his office by notice in writing addressed to the Chairperson who shall cause it to be transmitted to the Minister.

(2) The Chairperson of the Tribunal may at any time resign his office by notice in writing addressed to the Minister.

Revocation of appointment

43K. The Minister may at any time revoke the appointment of the Chairperson or any other member of the Tribunal.

Presiding at meetings

43L. (1) The number of members of the Tribunal who may sit at the hearing of an appeal before the Tribunal shall be three members including—

- (a) the Chairperson; and
- (b) two other members assigned by the Minister to sit on the hearing by the Tribunal of the appeal.

(2) Notwithstanding subsection (1), at the hearing of an appeal before the Tribunal, the Chairperson and one other member assigned to sit on the hearing of the appeal shall constitute a quorum.

Appeal to Tribunal

43M. (1) Where under any of the specified enactments an appeal lies to a court, the Minister or a tribunal or any other authority or body from a decision made under any of the specified enactments, the appeal shall, after the commencement of this Act lie to the Tribunal.

(2) The Tribunal may make any order or take any action which would have been within the power of a court, the Minister, the tribunal or other authority or body to make under the specified enactments on an appeal before the commencement of this Act.

(3) The commencement of an appeal before the Tribunal shall not operate as a stay or a suspension of the decision of the Authority being appealed.

(4) An appeal shall lie from a decision of the Tribunal to a Judge of the High Court.

Procedure of Tribunal

43N. (1) In determining an appeal, the Tribunal may review the whole case in respect of law and fact, and the exercise of any discretion, and shall determine the case in accordance with its own judgment.

(2) In the hearing and determination of any matter before it, the Tribunal may act without regard to technicalities and legal form and shall not be bound to follow the rules of evidence prescribed by the Evidence Act but the Tribunal may inform itself on any matter in the manner as the Tribunal thinks just and may take into

account opinion evidence and the facts as it considers relevant and material, but in any case, the parties to the proceedings shall be given the opportunity, if they so desire of adducing evidence.

(3) The parties to the proceedings shall be entitled to appear in person or may be assisted in the preparation of their respective cases by an attorney-at-law or by a duly authorised representative, but the Tribunal shall not award costs to any party to a proceeding before the Tribunal other than sums in respect of the reasonable costs incurred in any one or more of the following –

- (a) the filing of documents;
- (b) the obtaining of any expert report; or
- (c) the enforcement of an award of the Tribunal,

and any the award of costs shall be in the discretion of the Tribunal.

(4) The Tribunal may, where it determines it to be necessary in any particular case, consult any person having experience in any relevant field to assist it in dealing with a matter.

(5) The Tribunal may issue subpoenas, make orders and give directions to any persons and in the manner as the Tribunal thinks fit for the purpose of summoning witnesses, requiring the disclosure of documents or other evidence, requiring parties or witnesses to answer questions, and for the purpose of conducting its proceedings in a proper and orderly manner.

(6) For the purposes of reviewing a decision, the Tribunal may proceed in the absence of a party who has been given reasonable notice in writing to attend.

(7) The decision of the Tribunal shall be in writing and shall include reasons for the decision, a statement of its findings on material questions of fact and a reference to the evidence or other material on which the findings are based.

(8) The Tribunal shall ensure that a decision is served on each party to the proceedings.

(9) The failure of a person to obey a subpoena, order or direction issued, made or given to the person by the Tribunal makes the person, on application to a magistrate's court by the Tribunal, liable to be committed for contempt as if in breach of an order or judgement of a magistrate's court.

(10) Save as otherwise provided by this Act, the Tribunal shall regulate its own procedure and may make rules for that purpose.”.

Amendment of section 51 of principal Act

8. Section 51 of the principal Act is amended –

- (a) in subsection (3) –
 - (i) in paragraph (a) (iii), by deleting “; and” appearing after “Minister” and inserting a full stop; and
 - (ii) by deleting paragraph (b); and
- (b) by inserting the following subsection after subsection (3) –

“(3a) Within six months after the end of each financial year, the Authority shall cause to be prepared an annual report on the implementation of the business plan and the other matters as the Authority considers advisable or the Minister directs.”.

Repeal and replacement of section 56

9. Section 56 of the principal Act is repealed and the following section inserted –

“Administrative penalties

56. (1) The Regulations may provide for –

(a) the imposition by the Authority of administrative penalties against financial entities, registered entities and other persons as may be prescribed for the contravention of this Act, the Regulations, the guidelines, a registry legislation, specified enactment or a directive issued by the Authority; and

(b) the basis for fixing the administrative penalties.

(2) Administrative penalties imposed under the Regulations shall –

(a) not exceed one hundred thousand dollars; and

(b) be paid to the Authority.

(3) The Authority may recover an administrative penalty as a civil debt in a court of competent jurisdiction.

(4) Administrative penalties imposed under the Regulations shall be paid into the Consolidated Fund.”.

Amendment of section 57 of principal Act

10. Section 57 of the principal Act is amended by –

(a) inserting the subsection designation (1) at section 57; and

(b) inserting the following subsection as subsection (2) –

“(2) The Regulations may prescribe offences for the contravention of a provision of the Regulations and prescribe a fine not exceeding one hundred thousand dollars or a term of imprisonment not exceeding two years or both such fine and imprisonment in respect of any one offence.”.

Amendment of Schedule 2 of principal Act

11. Schedule 2 of the principal Act is amended by adding the following item –

“9. Virtual Assets Business Act 2022”.

Insertion of Schedule 3A in principal Act

12. After Schedule 3 of the principal Act, the schedule set out in the Schedule to this Act is inserted as Schedule 3A.

Repeal of Schedule 5 of principal Act

13. Schedule 5 of the principal Act is repealed.

SCHEDULE

(Section 12)

“SCHEDULE 3A

(Section 26)

EVENTS AND CHANGES TO BE NOTIFIED TO THE FINANCIAL SERVICES AUTHORITY

<i>Event</i>	<i>Time Limit for Notification</i>
1. Application being made to the High Court for the appointment of a liquidator.	Before the application is made to the High Court
2. A meeting being called to consider the appointment of a liquidator.	Before the meeting is called
3. A proposal being made for a creditors' arrangement in any insolvency proceedings.	Seven days before finalization of the proposal
4. The making of, or any proposals for the making of, a composition or arrangement with one or more creditors of the financial entity other than a creditors' arrangement as referred to in event 3.	Seven days before finalization of the proposal
5. The striking of the financial entity off the register of companies maintained by the Registrar of Companies, under the Companies Act.	Within twenty-four hours after the striking off
6. The appointment of a receiver of the financial entity or any of its property, whether by a creditor, the High Court or otherwise.	Within forty-eight hours of the appointment of the receiver
7. Anything equivalent to events 1 to 6 occurring in a jurisdiction outside the Saint Vincent and the Grenadines	Within forty-eight hours of the events

8. The taking of any enforcement action or the imposition of any disciplinary measures against the financial entity by a foreign regulatory authority or a professional body (in or outside the Saint Vincent and the Grenadines), including the refusal or revocation of membership by the professional body.	Within forty-eight hours of the notification of the imposition of an enforcement action or disciplinary action
9. The prosecution or conviction of the financial entity, or any of its directors or key functionaries, in or outside Saint Vincent and the Grenadines for any offence <ul style="list-style-type: none"> (a) relating to financial services; or (b) involving fraud or dishonesty. 	Within two hours of notification of the prosecution or conviction
10. The granting or refusal of an application for a licence to carry on any financial services business outside Saint Vincent and the Grenadines or the revocation of the application.	Within fourteen days after the grant or refusal or withdrawal
11. The commission by any employee of the financial entity of a fraud against a customer of the financial entity.	Within forty-eight hours of becoming aware of the fraud
12. The financial entity becomes aware of any fraud committed against it.	Within forty-eight hours of becoming aware of the fraud
13. Any matter that the financial entity considers to be material to the fit and properness of the financial entity or any person having a significant interest in it or any of its directors or key functionaries.	Within seventy-two hours of making the determination
14. Any significant failure in the financial entity's systems or controls.	Within forty-eight hours of becoming aware of the failure
15. Any proposed significant re-structuring or proposed restructuring.	Within seven days of the decision
16. Any material breach of the capital or financial resource requirements imposed	Within forty-eight hours of becoming aware of the breach

on the financial entity by this Act or the Regulations or a specified enactment	
17. The likelihood of a “run on the financial entity”.	Within twenty-four hours
18. Any transfer of an interest in a financial entity by operation of law or pursuant to an order of the High Court, where – (a) the person whose interest is transferred holds, or before the transfer held, a significant interest in the financial entity; or (b) as a result of the transfer, a person becomes the holder of a significant interest in the financial entity. In this item, “transfer” includes a sale, charge or other disposal.	Within fourteen days of the transfer
19. Change of address of principal office or place of business whether in or outside Saint Vincent and the Grenadines, where prior approval of Authority for change in principal office not required.	Within fourteen days of the change

Passed in the House of Assembly this 23rd day of June, 2025.

DEBORAH ALEXANDER - CHARLES
Clerk of the House of Assembly.

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