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I ASSENT

PEARLETTE LOUISY,  
*Governor-General.*

*April 6, 2011.*

## SAINT LUCIA

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**No. 13 of 2011**

**AN ACT** to establish the Financial Services Regulatory Authority to regulate providers of financial services and to provide for related matters.

**[ON ORDER]**

**BE IT ENACTED** by the Queen's Most Excellent Majesty, by and with the advice and consent of the House of Assembly and the Senate of Saint Lucia, and by the authority of the same, as follows:

**PART 1**  
**PRELIMINARY**

**Short title and commencement**

1.— (1) This Act may be cited as the Financial Services Regulatory Authority Act 2011.

(2) This Act shall come into force on a date to be fixed by the Minister by Order published in the Gazette.

**Interpretation**

2. In this Act —

"affiliate" in relation to a regulated entity means —

- (a) a company which is or has at any relevant time been-
  - (i) a holding company or subsidiary of the regulated entity;
  - (ii) a subsidiary of a holding company of the regulated entity; or
  - (iii) a holding company of a holding company or a subsidiary of a subsidiary of the regulated entity; or
- (b) any company over which the regulated entity has control;
- (c) any company over which the regulated entity and any person associated with the regulated entity has control;
- (d) any company which has common ownership with the regulated entity;
- (e) any company which has the same beneficial owner and share common management and interlinked businesses with the regulated entity;

"Authority" means the Financial Services Regulatory Authority established under section 3;

"authorised authority" means an authority authorised in writing by the Minister;

"director" means a director referred to under section 5;

"Eastern Caribbean Central Bank" means the Eastern Caribbean Central Bank established pursuant to the Eastern Caribbean Central Bank Agreement 1983;

"Financial Intelligence Authority" means the Financial Intelligence Authority established under the Money Laundering (Prevention) Act, Cap 12.20;

"family member" in relation to a person, means the person's father, mother, brother, sister, child, grandchild, husband or wife;

"licence" includes permit, permission, authorisation or registration issued under an enactment specified in Schedule 1;

"Minister" means the Minister responsible for Finance;

"prescribed" means prescribed in Regulations made pursuant to this Act;

"regulated entity" means an entity regulated, licenced or registered pursuant to this Act and any enactment specified in Schedule 1;

"regulated service" means a service carried on by a regulated entity;

"Regulations" means Regulations made under section 47;

"regulatory authority" means an authority which, in Saint Lucia or a country or territory outside Saint Lucia, exercises functions corresponding to any functions of the Authority or functions as a supervisory authority of a bank;

"regulatory functions" means functions of the Authority under this Act or any enactment specified in Schedule 1.

## **PART 2**

### **AUTHORITY**

#### **Establishment of the Authority**

**3.**— (1) There is established a body to be known as the Financial Services Regulatory Authority.

(2) The Authority must be a body corporate having perpetual succession, a common seal and may be sued in the corporate name of the Authority.

(3) The affixing of the common seal of the Authority must be in the presence of and witnessed by the Chairperson, or any person authorised by a resolution of the Board.

**Head office**

- 4.— (1) The Authority shall establish and maintain a head office and principal place of business within Saint Lucia.
- (2) The location of the head office of the Authority shall be published in the *Gazette* by the Authority.
- (3) The service of documents on the Authority is deemed to be effective if delivered at the head office of the Authority.

**Board of the Authority**

- 5.— (1) The affairs of the Authority shall be managed by a Board of Directors comprising the following directors —
- (a) the Permanent Secretary in the Ministry with responsibility for Finance;
  - (b) one person designated by the Governor of the Eastern Caribbean Central Bank who is not an officer of the Eastern Caribbean Central Bank;
  - (c) the Director of the Financial Intelligence Authority; and
  - (d) subject to subsection (2), four persons appointed by the Minister one of whom is a representative of the business community.
- (2) Persons appointed as directors under subsection (1)(d) shall have a minimum of five years experience in either banking, insurance, law, economics, finance, accounting or other related fields.
- (3) A person is disqualified from being a director and is not eligible to be appointed as a director, or having been appointed, is not eligible to continue as a director if that person —
- (a) or a family member of that person holds or is beneficially interested in more than 5% of any stock, share, bond, debenture or other security of, or other interest in, a regulated entity except membership shares in a credit union;
  - (b) or a family member of that person has a pecuniary or other material interest in a device, appliance, machine, article, patent or patented process which is required or used by a regulated entity;

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- (c) is a director, officer, employee, agent or a person providing a service or supplying goods to a regulated entity under a contract;
- (d) has filed for bankruptcy in a court or is declared by a court to be bankrupt;
- (e) is declared by a court to be physically or mentally incapacitated by reason of unsoundness of mind;
- (f) has been convicted of a criminal offence except where the offence —
  - (i) is a minor traffic offence;
  - (ii) has been spent in accordance with the Criminal Records (Rehabilitation of Offenders) Act 2004, No. 2;
- (g) is a member of Parliament.

(4) Notwithstanding subsection (3)(b), a person shall not be held to have a pecuniary or other material interest in a regulated entity in respect of which the Authority performs regulatory functions by reason only of the fact that he or she is a prescribed retail consumer of a regulated entity in respect of which the Authority performs regulatory functions.

(5) In determining whether a person is eligible for appointment as a director, the Minister shall have regard to all matters that the Minister considers relevant to the appointment including —

- (a) that person's probity, competence and soundness of judgment for fulfilling the responsibilities of director; and
- (b) the diligence with which that person is likely to fulfill the responsibilities of director.

(6) Notwithstanding subsection (5), the Minister may have regard to the previous conduct and activities in business or financial matters of the person and, in particular, to any evidence that the person has —

- (a) committed an offence involving fraud, other dishonesty or violence;
- (b) contravened any provision made by or under an enactment designed for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of banking, insurance, investment or other financial services or the management of



companies or against financial loss due to the conduct of a discharged or undischarged bankrupt;

- (c) engaged in any business practices appearing to the Minister to be deceitful, oppressive or otherwise improper or which otherwise reflect discredit on that person's method of conducting business;
- (d) an employment record which leads the Minister to believe that the person carried out an act of impropriety in the handling of his or her employer's business; or
- (e) engaged in or been associated with any other business practice or otherwise conducted himself or herself in such a way as to cast doubt on his or her competence and soundness of judgment.

(7) Where pursuant to section 23 a vacancy exists on the Board, the Minister shall, in accordance with this section, appoint a person to fill the vacancy.

(8) The Minister shall, by notice published in the *Gazette*, give notice of the names of the directors as the Board is first constituted and every change in the constitution of the Board.

(9) A person who is a director shall act in the public interest to carry out the purposes of this Act and not based on his or her personal or business interest.

#### **Chairperson and Deputy Chairperson**

6. – (1) The Minister shall, by notice in the *Gazette*, designate a Chairperson and Deputy Chairperson among the Directors appointed under section 5(1).

(2) Where the Chairperson is absent, the Deputy Chairperson has all the powers of the Chairperson.

#### **Executive Director**

7. – (1) The Board shall, after consultation with the Minister, appoint a person with the requisite qualifications as the Executive Director of the Authority to be the administrative head of the Authority and to manage the day to day affairs of the Authority on such terms and conditions as the Board determines and specified in the Executive Director's contract of employment.

(2) In the exercise of his or her functions, powers and duties under this Act, the Executive Director shall render his or her services exclusively to the Authority and is answerable to the Board for his or her acts and decisions.

(3) Except in the case of an appointment under subsection (4), the Executive Director shall not hold any other appointment or engage in any other occupation, which in the opinion of the Board, is likely to interfere with the proper performance of his or her functions or duties or the exercise of his or her powers under this Act, or is prejudicial to the interests of the Authority.

(4) Where the office of Executive Director is vacant or the Executive Director is absent or incapacitated, the Board shall, after consultation with the Minister, appoint a person who may be a director, as a temporary Executive Director for a period not exceeding ninety days or for the duration of the absence or incapacitation whichever is less.

(5) The Executive Director shall perform all the duties and functions entrusted to him or her under this Act including the following —

- (a) supervision of the discipline and conduct of the staff of the Authority;
- (b) general responsibility for the internal organization and administration of the Authority;
- (c) implementation of the decisions of the Board; and
- (d) any other duties or functions assigned to the Executive Director under his or her contract of employment.

(6) Subject to subsection (7), the Executive Director shall attend all meetings of the Board unless the Executive Director —

- (a) is instructed by the Chairperson of the meeting to withdraw;
- (b) has obtained leave of absence; or
- (c) is prevented from attending for good cause.

(7) The Executive Director attending a meeting of the Board in accordance with subsection (6) has no voting rights.

### **Staff**

**8.**— (1) The Board may, after consultation with the Minister employ, at such remuneration and on such terms and conditions as may be approved from time to time by the Board, such staff as the Board considers necessary for the performance of the functions of the Authority.

(2) Staff appointed under subsection (1) shall perform the duties and functions assigned to him or her by the Executive Director.

(3) Staff appointed under subsection (1) shall not hold any other appointment or engage in any other occupation, which in the opinion of the Board, is likely to interfere with the proper performance of his or her functions or duties or exercise of his or her powers under this Act, or is prejudicial to the interests of the Authority.

### **Advisory committees**

**9.**— (1) The Authority may, for the purpose of carrying out its functions pursuant to this Act, establish advisory committees to give advice to the Authority on such matters relating to the Authority's functions as the Authority may determine.

(2) The Authority may appoint persons as members of an advisory committee established under subsection (1), whether or not directors or employees of the Authority for such period as the Authority may determine.

(3) An advisory committee established under subsection (1) shall keep a record of any recommendation the advisory committee makes to the Authority.

(4) The recommendation of an advisory committee established under subsection (1) shall be considered by the Authority but is not binding on the Authority.

### **Responsibilities of the Authority**

**10.** The Authority is responsible for the policy and general administration of the affairs and business of the Authority.

**Objects of the Authority**

11. The objects of the Authority are —

- (a) the maintaining of public confidence in the financial system operating in Saint Lucia;
- (b) the promoting of public understanding and awareness of the financial system operating in Saint Lucia including the awareness of the benefits and risks associated with different kinds of investments or other financial dealings and the provision of appropriate information and advice; and
- (c) the securing of the appropriate degree of protection for consumers having regard to-
  - i.* the differing degrees of risk involved in different kinds of regulated services;
  - ii.* the differing degrees of experience and expertise that different consumers may have in relation to different kinds of regulated services;
  - iii.* the needs that consumers may have for advice and accurate information; and
  - iv.* the general principle that consumers should take responsibility for their decisions.

**Regulation of own procedures and other powers of the Authority**

12.— (1) Subject to this Act and to the Regulations, the Authority shall regulate its own procedure.

(2) The Authority has the power to do all things necessary or incidental to the objects of the Authority including, without limitation, the power to —

- (a) acquire, hold and dispose of immovable and movable property;
- (b) sue in the corporate name of the Authority;
- (c) enter into contracts; and
- (d) do all such other things as may be necessary or incidental to the performance of its powers, duties and functions.

**Powers, duties and functions of the Authority**

**13.**— (1) The Authority is responsible for the administration of this Act and the enactments specified in Schedule 1 and has the powers, duties and functions assigned to the Authority by the Minister, this Act and the enactments specified in Schedule 1.

(2) The Authority, without limiting the generality of subsection (1), shall —

- (a) consider and grant or refuse applications and requests pursuant to any of the enactments specified in Schedule 1;
- (b) maintain a general review of the operations of all regulated entities;
- (c) examine the affairs or business of a regulated entity for the purpose of satisfying itself that the provisions of this Act and the enactments specified in Schedule 1 are being complied with and that a regulated entity is in a sound financial position and is managing the business of the regulated entity in a prudent manner;
- (d) assist any authorised authority in the investigation of any offence against the Laws of Saint Lucia which it has reasonable grounds to believe has or may have been committed by a regulated entity; and
- (e) co-operate with the Financial Intelligence Authority, other regulatory authorities and the Eastern Caribbean Central Bank in the supervision of a regulated entity.

**Core guiding principles**

**14.** In exercising any of its functions the Authority may take into account any matter which it considers appropriate, but shall in particular have regard to —

- (a) the reduction of the risk to the public of financial loss due to dishonesty, incompetence or malpractice by or through the imprudence of persons carrying on the business of financial services in or from within Saint Lucia;
- (b) the protection and enhancement of the reputation and integrity of Saint Lucia in financial matters;
- (c) the economic and social interest of Saint Lucia;

- (d) the need to counter financial crime both in Saint Lucia and elsewhere;
- (e) the protection and fair treatment for consumers;
- (f) the stable and secure financial markets;
- (g) the competitive and innovative financial markets (including a choice of organizational options);
- (h) proportionate, risk-based regulations;
- (i) prudential supervision and enforcement;
- (j) management responsibilities (including the maintenance of adequate financial and managerial resources); and
- (k) the application of ethical conduct at all levels of the regulated entity.

**Power to issue guidelines**

15.— (1) The Authority may issue guidelines in administering the provisions of this Act to regulated entities and their affiliates in respect of but not limited to — .

- (a) prudential standards to be observed by regulated entities to ensure the safety and soundness of the funds held including policies, practices and procedures for evaluating —
  - (i) the quality of assets;
  - (ii) the liquidity requirements and ratios;
  - (iii) the related party transactions;
  - (iv) corporate governance;
- (b) the management and investment of the funds of the regulated entities;
- (c) the calculation and management of doubtful and delinquent loans;
- (d) self insurance arrangements;
- (e) auditors;
- (f) actuaries;
- (g) disclosures;
- (h) prudential guidelines in respect of anti-money laundering and combating the financing of terrorism.

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(2) Any guidelines issued under subsection (1) must be consistent with international best practice.

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

(4) The Authority may —

- (a) make the guidelines and all amendments to the guidelines available for inspection by the public;
- (b) at such intervals as the Authority determines, review any guidelines for the time being in force;
- (c) publish in the *Gazette* the guidelines issued under this section and any amendment to the guidelines.

#### **Meetings of the Board**

**16.**— (1) The Board shall meet monthly as far as practicable and at such other times as may be necessary or expedient for the transaction of business and in any event not less than six times per year and the meetings of the Board must be held at such places as the Chairperson shall determine.

(2) The Chairperson may, at any time, call a special meeting of the Board and shall cause a special meeting of the Board to be held within seven days of a written request for that purpose addressed to the Chairperson by any three directors.

(3) The Chairperson and any other director are deemed to be present at a meeting of the Board if the Chairperson or the director participates by telephone, video link or satellite, and all directors participating in the meeting are able to hear and to speak to each other.

(4) At a meeting of the Board —

- (a) the Chairperson shall preside; or
- (b) if the Chairperson is not present, the Deputy Chairperson shall preside.

(5) A meeting of the Board is duly constituted for all purposes if, at the meeting, there is a quorum of not less than five directors participating in the meeting.

(6) Decisions of the Board are to be taken by a simple majority of votes of directors present and voting at the meeting.

(7) The Chairperson has an original vote and in cases of equal division the Chairperson has the casting vote.

(8) The Board may co-opt any person to attend any particular meeting of the Board at which it is proposed to deal with a particular matter, for the purpose of assisting or advising the Board, but a co-opted person does not have the right to vote.

#### **Oath of secrecy and confidentiality**

**17.—** (1) A director, an officer or employee of the Authority is required to take the oath of secrecy set out in Schedule 2.

(2) Subject to subsection (3), a director, an officer, an employee, an agent or an adviser of the Authority shall not disclose any information relating to —

- (a) the business or affairs of the Authority;
- (b) any application made to the Authority under this Act or any enactment specified in Schedule 1;
- (c) the business or affairs of a regulated entity; or
- (d) the affairs of a customer, member, client or policyholder of a regulated entity, that the director, officer, employee, agent or adviser has acquired in the course of his or her duties or in the exercise of the Authority's functions under this Act or any other law.

(3) Subsection (2) does not apply to a disclosure —

- (a) for the purpose of sharing information with a regulatory authority or the Financial Intelligence Authority in accordance with section 36 or any other law in force in Saint Lucia;
- (b) lawfully required or permitted by any court of competent jurisdiction in Saint Lucia;
- (c) in respect of the business affairs of a regulated entity or of a customer, member, client or policyholder of a regulated entity, with the consent of the person or the customer, member, client or policyholder, as the case may be, which consent has been voluntarily given;



- (d) for the purpose of enabling or assisting the Authority in exercising a function conferred on it under this Act or any other law;
  - (e) if the information disclosed is or has been available to the public;
  - (f) where the information disclosed is in a manner that does not enable the identity of any customer, member, client or policyholder of a regulated entity or any other entity registered or licenced under any enactment specified in Schedule 1 to which the information relates, to be ascertained;
  - (g) lawfully made to a person with a view to the institution of, or for the purpose of —
    - i. criminal proceedings;
    - ii. disciplinary proceedings, whether within or outside Saint Lucia, relating to the exercise by an attorney-at-law, auditor, accountant, valuer or actuary of his or her professional duties; or
    - iii. disciplinary proceedings relating to the discharge of duties by a director, officer or employee of the Authority;
  - (h) for the purposes of any legal proceedings in connection with the winding-up or dissolution of a regulated entity; or
  - (i) for the appointment or duties of a receiver of a regulated entity.
- (4) For the purposes of this section, "actuary" means a person who satisfies the Authority that he or she -
- (a) is a Fellow or an associate of a professional body of actuaries that is internationally recognized; or
  - (b) is a person of equivalent status to that of a Fellow or an associate mentioned in paragraph (a); and
  - (c) has at least two years of experience as an actuary for a financial institution.

#### **Protection from liability**

**18.—** (1) An action or other proceeding does not lie against any director, officer or employee of the Authority or any other person acting

under the direction of the Authority for or in respect of an act done or omitted to be done in good faith in the exercise or purported exercise of any power, duty or function under this Act, except in the case of liability for personal injury.

(2) The Authority shall indemnify a director, officer or employee or other person for the legal cost of defending an action in respect of an act done or omitted to be done in good faith in the exercise or purported exercise of any power, duty or function under this Act.

**Declaration of interest and abstention from voting**

19.— (1) A director who is in any way, either directly or indirectly interested in a matter before the Authority, shall declare the nature of his or her interest at the first meeting of the Board at which it is practicable to do so.

(2) Where a director declares an interest under subsection (1), the Board shall determine whether or not the director's interest in a matter is material and where the Board determines that the director's interest is material, the director shall leave the meeting upon the matter coming up for discussion.

(3) A declaration and the departure of a director from the meeting in accordance with subsection (1) shall be noted by the Secretary in the minutes of the meeting.

(4) A director shall not —

- (a) fail to comply with subsection (1);
- (b) vote in respect of a matter before the Authority in which he or she is materially interested, whether directly or indirectly; or
- (c) seek to influence the vote of any other director in relation to a matter before the Authority in which he or she is materially interested, whether directly or indirectly.

(5) A director who fails to comply with subsection (4) commits an offence and on summary conviction is liable to a fine not exceeding twenty thousand dollars or to imprisonment for a term not exceeding two years or to both.

**Duration of appointment**

**20.** The duration of appointment of a director appointed by the Minister under section 5(1)(d) is for a period not exceeding three years, subject to reappointment for a maximum of three consecutive terms and to staggering of appointments.

**Resignation**

**21.** A director appointed by the Minister under section 5(1)(d) may resign at any time by giving notice in writing to the Minister.

**Revocation**

**22.** The Minister shall at any time, in writing, revoke the appointment of a director appointed under section 5(1)(d) if, upon evidence, the Minister is satisfied that the director —

- (a) is disqualified from being a director pursuant to section 5(2);
- (b) is guilty of serious misconduct;
- (c) has been disqualified or suspended on grounds of personal misconduct, by a competent authority, from practising a profession;
- (d) has been prohibited from being a director or officer of another organisation; or
- (e) is disqualified on grounds of national security.

**Vacancy**

**23.** The office of a director is vacated —

- (a) upon the death of the director;
- (b) if the director becomes disqualified pursuant to section 5(3);
- (c) if the director resigns pursuant to section 21;
- (d) if the Minister revokes the appointment of that director pursuant to section 22;
- (e) if the director's appointment is not renewed by the Minister as of the date of expiry of the director's term of appointment;
- (f) if the director fails to attend three consecutive meetings of the Board without presenting a medical certificate or without being excused by the Minister in writing, in the case of the

Chairperson or by the Chairperson in writing in the case of any other director; or

- (g) fails, without reasonable excuse, to attend at least half of the meetings of the Board held in the last year.

#### **Remuneration**

24. A director shall be paid by the Authority out of the revenue of the Authority such remuneration and allowances as may be determined by the Minister.

#### **Expenses of the Authority**

25. All expenses incurred by the Authority must be paid out of—
- (a) monies appropriated by Parliament for that purpose;
  - (b) monies lawfully received by the Authority pursuant to any Act in force in Saint Lucia.

#### **Financial year, budget and plan of action**

26.— (1) The financial year of the Authority is the twelve month period commencing on 1<sup>st</sup> April of any year and ending on 31<sup>st</sup> March of the following year.

(2) The Authority shall, not later than December 31<sup>st</sup> in each year, cause to be prepared and shall adopt and submit to the Minister a budget with the estimates of the Authority's income and expenditure and a plan of action for the Authority in respect of the next financial year.

#### **Accounts**

27. The Authority shall keep proper records of accounts in accordance with generally accepted international accounting standards and principles and shall prepare and retain financial statements in respect of each financial year.

#### **Audit**

28.— (1) The Authority shall, within four months after each financial year, have its accounts audited annually by an independent auditor appointed by the Authority who shall conduct the audit in accordance with generally accepted international auditing standards and submit a report on the audit to the Authority.

(2) The Authority, the directors, the Executive Director, officers and employees of the Authority shall grant to the auditor appointed pursuant to subsection (1), access to all books, deeds, contracts, accounts, vouchers, or other documents which the auditor may deem necessary and the auditor may require the person holding or accountable for such document to appear, make a signed statement or provide such information in relation to the documents as the auditor deems necessary.

(3) A person who fails to comply with subsection (2) commits an offence and on summary conviction is liable to a fine not exceeding fifty thousand dollars or to imprisonment for a term not exceeding three years or to both and to revocation of his or her appointment as a director, the Executive Director, an officer or an employee of the Authority in accordance with this Act.

#### **Annual report**

**29.**— (1) Subject to subsection (2) and not later than five months after the end of each financial year, the Authority shall submit to the Minister an annual report on the operations and activities and transactions of the Authority for that financial year and the Minister shall, not later than one month after the submission, cause the same to be laid in Parliament.

(2) An annual report pursuant to subsection (1) must be accompanied by the auditor's report pursuant to section 28.

#### **Power to delegate functions or powers**

**30.** — (1) Subject to subsection (2), where any functions or powers are conferred upon or vested in the Authority by or under this Act or any other enactment, the Authority may delegate such functions or powers wholly or partly to the Executive Director.

(2) The Authority is not authorised to delegate —

- (a) the power of delegation;
- (b) the approval, suspension or revocation of licences except in the case of delegation to the Executive Director of the function of registration of insurance agents, insurance brokers, insurance salespersons, insurance loss adjusters, insurance incorporated cells and international private mutual funds.

(3) The delegation of any functions under this section may be amended or revoked by the Authority.

**Publication by the Authority**

**31.** — (1) The Authority may publish information in such form and manner as it considers appropriate with respect to —

- (a) the operation of this Act and any other enactment dealing with the provision of a regulated service by the Authority, including, in particular, the rights of persons provided with a regulated service, the duties of persons who provide regulated services and the steps to be taken for enforcing those rights or complying with those duties;
- (b) any matter relating to the functions of the Authority under this Act or any other enactment; or
- (c) prudential reports of regulated entities in accordance with the Regulations regarding the publication of prudential reports;
- (d) any other matter which appears to the Authority to be desirable concerning —
  - (i) the reduction of the risk to the public of financial loss due to dishonesty, incompetence or malpractice by the regulated entity or the financial unsoundness of the regulated entity;
  - (ii) the protection and enhancement of the reputation and integrity of Saint Lucia in commercial and financial matters; or
  - (iii) the economic interest of Saint Lucia.

(2) The Authority may offer for sale copies of information published under this Act.

(3) Nothing in this Act must be construed as authorising the disclosure of information in any case where, apart from the provisions of this Act, it could not be disclosed.

**Exemption from taxes etc.**

**32.** The Authority is exempt from the payment of taxes, levies, duties and fees on income, property and documents.

**PART 3**  
**REPORTING REQUIREMENTS, RESTRICTIONS, EXAMINATIONS**  
**AND ENFORCEMENT**

**Reporting by regulated entities**

**33.**— (1) Notwithstanding any requirements under an enactment specified in Schedule 1, a regulated entity shall submit to the Authority any other report, statement, information or data required by the Act as the Authority may require for the proper discharge of its functions and responsibilities.

(2) Without limiting the generality of subsection (1), a regulated entity shall, at the request of the Authority, within the period specified by the Authority, in relation to that regulated entity's operations, submit any information that the Authority may require concerning its financial position and corporate governance of the regulated entity.

(3) A regulated entity that contravenes a provision of this section commits an offence and is liable on summary conviction to a fine not exceeding fifty thousand dollars or to imprisonment for a term not exceeding three years or to both.

**Auditing requirements**

**34.** — (1) Notwithstanding the provisions relating to auditing of a regulated entity in any enactment specified in Schedule 1, the Authority may require a regulated entity to appoint an auditor with an accreditation of Chartered Public Accountant or Association of Certified Chartered Accountant, satisfactory to the Authority whose duties shall—

- (a) be to examine the books and records in accordance with international auditing standards and to make a report on the annual financial statements and financial position, and in every such report the auditor shall state whether in the auditor's opinion the financial statements give a true and fair view of the state of affairs of the regulated entity and of its results for the period then ended; and
- (b) include any of the following duties as may from time to time be imposed on the auditor by the regulated entity at the request of the Authority—
  - (i) to submit such additional information in relation to the audit of the regulated entity as the Authority considers necessary;

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- (ii) to carry out any other examination or establish any procedure in any particular case;
  - (iii) to submit a report on any of the matters referred to in subparagraphs (i) and (ii);
  - (iv) to submit a report on the financial and accounting systems and risk management controls of the regulated entity;
  - (v) to submit a report on whether prudent policies, practices and procedures are approved and reviewed by the management of the regulated entity and communicated to relevant officers;
  - (vi) to certify whether suitable measures to counter money laundering and to combat the financing of terrorism have been adopted by the regulated entity and are being implemented in accordance with the applicable laws.
- (2) The financial statements referred to in subsection (1)(a) must be prepared in accordance with international accounting standards.
- (3) A director, manager, secretary, employee or agent of a regulated entity or other person having an interest in any regulated entity otherwise than as a prescribed retail customer is not eligible for appointment as auditor for a regulated entity under subsection (1).
- (4) A person appointed as auditor under subsection (1) who, after an appointment, acquires any interest in a regulated entity, otherwise than as a prescribed retail customer, or becomes a director, manager, secretary, employee or agent of a regulated entity shall immediately cease to be such auditor.
- (5) A regulated entity shall remunerate the auditor in respect of the discharge by the auditor of all or any of the duties set out in subsection (1).
- (6) The regulated entity shall submit to the Authority the agreement of work between the regulated entity and the auditor, upon finalization of the agreement of work and no later than thirty days before the audit is to begin, in order for the Authority to determine whether the auditor appointed under subsection (1) is satisfactory to the Authority.



(7) If a regulated entity fails to appoint an auditor satisfactory to the Authority, the Authority may, at the expense of the regulated entity, appoint an auditor for the regulated entity.

(8) The Authority may, at the expense of a regulated entity, appoint an auditor to conduct an independent audit of the regulated entity, in accordance with the instructions of the Authority, and to report the findings or results of the audit to the Authority.

(9) If, in the course of the performance of an auditor's duties under this section, an auditor is satisfied that —

- (a) there has been a serious breach of or non-compliance with the provisions of this Act or any enactment listed in Schedule 1 or any Regulations, notice, order, guidelines or directions issued under this Act or any enactment specified in Schedule 1;
- (b) there is evidence that a criminal offence involving fraud or other dishonesty may have been committed;
- (c) losses have been incurred which reduce the paid up or assigned capital, as the case may be, of the regulated entity;
- (d) serious irregularities have occurred, including those that affect the interest of customers; or
- (e) the claims of customers covered by the assets cannot be confirmed.

(10) The Auditor shall report the matters in subsection (9) to the regulated entity and the Authority within three days of discovery.

(11) The Authority may request copies of any report on the operations of a regulated entity prepared by its internal and external auditors.

#### **Prohibition on advertising likely to mislead**

**35.—** (1) A regulated entity shall not engage in advertising practices which are likely to mislead the public concerning —

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

(2) A regulated entity that contravenes subsection (1) commits an offence and is liable on summary conviction to a fine not exceeding fifty thousand dollars or to imprisonment for a term not exceeding three years or to both.

**Disclosure and access to books and records and examination by Authority**

**36.**— (1) Notwithstanding any provision under an enactment specified in Schedule 1, the Authority may examine or cause an examination to be made of each regulated entity or an affiliate of the regulated entity from time to time or whenever in its judgment, such examination is necessary or expedient in order to determine that the regulated entity is in a sound financial condition and that the requirements of this Act have been complied with in the conduct of its business.

(2) The Authority may assess a regulated entity for the reasonable expenses of conducting an examination under subsection (1).

(3) The Authority shall forward copies of reports on the results of any examination made pursuant to this section to the regulated entity.

(4) Where the Authority reasonably suspects that a regulated entity or a director, an officer or an employee of a regulated entity is in breach of this Act or an enactment specified in Schedule 1, the Regulations or its licence or where an allegation of breach is made to the Authority against a regulated entity or a director, an officer or an employee of a regulated entity, the Authority may conduct any investigation that the Authority considers necessary in relation to the regulated entity or the director, an officer or an employee of the regulated entity and may perform any of the following in the course of such investigation –

- (a) compel the production of documents, records or information in the custody or control of the regulated entity;
- (b) compel the appearance of a director, an officer or an employee of a regulated entity or any other person for the purpose of ascertaining compliance with this Act, an enactment specified in Schedule 1, the Regulations or the licence;
- (c) inspect, examine or make copies of any document or record in the possession of the regulated entity relevant to the licence held by the regulated entity;

- (d) require verification of source and amount of income of the regulated entity and all other matters pertinent to the licence;
- (e) enter or inspect any premises for the purpose of ascertaining compliance with this Act, an enactment specified in Schedule 1, the Regulations or the licence; and
- (f) seize or remove any document or records relating to the licence or the regulated entity for the purpose of examination and inspection;
- (g) hire a third-party to conduct an investigation of which the expense may be charged to the regulated entity upon which the investigation is being conducted.

(5) For the purpose of discharging its functions and duties under this Act, the Authority shall, as it reasonably requires, be entitled to request any information, matter or thing from any person the Authority has reasonable grounds to believe is providing a regulated service without a licence.

(6) Where the Authority reasonably suspects that a person is committing an offence by providing a regulated service without a licence, a police officer may lay before a Magistrate information on oath setting out the grounds for the suspicion and apply for the issue of a warrant to search the premises where the regulated service is believed to be provided.

(7) Where an application is made under subsection (6) for a warrant, the Magistrate may issue a warrant authorizing a police officer, whether named in the warrant or not, with such assistance, including assistance from the Authority and by such force as is necessary and reasonable, to enter upon the premises, search and inspect the premises and —

- (a) examine, inspect, make copies of, seize or remove any document or record; and
- (b) seize any equipment or other property;

found on the premises in the course of the search that the police officer has reasonable grounds to believe is being used in the commission of the offence.

(8) A person shall not —

- (a) fail to comply with a request of the Authority under subsection (4) or (5); or

- (b) hinder, obstruct, prevent or interfere with a police officer, a director, the Executive Director or an employee of the Authority in the exercise of a power under this section.

(9) A person who contravenes the provisions of subsection (8) commits an offence and is liable on summary conviction to a fine not exceeding fifty thousand dollars or to a term of imprisonment not exceeding three years or to both.

#### **Authority's powers and measures for preventing adverse consequences**

**37.—** (1) If, in the opinion of the Authority, an examination authorised under section 36 shows that the regulated entity concerned or any affiliate, director, officer, employee, or significant shareholder of the regulated entity is —

- (a) engaging in unsafe or unsound practices in conducting the business of the regulated entity;
- (b) violating any law, regulation or guideline issued by the Authority or to which the regulated entity or person is subject.

(2) If the Authority has reasonable cause to believe that the practices or violations referred in paragraphs (a) and (b) are likely to occur, the Authority may issue a direction requiring such remedial action as it deems necessary to the regulated entity or any affiliate, director, officer, employee, or significant shareholder of the regulated entity.

(3) A direction issued by the Authority under subsection (1) shall be deemed to take effect from the date specified therein.

(4) Where a regulated entity or an affiliate of a regulated entity, or any director, officer, employee or significant shareholder of a regulated entity fails to comply with a direction issued by the Authority under subsection (1), the Authority may suspend or revoke the licence of a regulated entity in accordance with the relevant enactment specified in Schedule 1.

(5) A regulated entity or an affiliate of a regulated entity, or a director, officer, employee or significant shareholder of a regulated entity who fails to comply with a direction issued by the Authority under subsection (1) commits an offence and is liable on summary conviction to a fine not exceeding one hundred thousand dollars or to imprisonment for a term not exceeding four years.

**Exchange of information**

**38.**— (1) The Authority may enter into a memorandum of understanding with a regulatory authority or the Financial Intelligence Authority for the purpose of the exchange of information necessary to enable the regulatory authority or the Financial Intelligence Authority to exercise its regulatory functions.

(2) A memorandum of understanding pursuant to subsection (1) shall —

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

(3) The Authority shall notify the Attorney General, in writing, immediately of the request for assistance received from a regulatory authority, with particulars of the request, and shall send the Attorney General copies of all documents relating to the request, and the Attorney General shall be entitled, as a friend of the court, to appear or take part in any proceedings in Saint Lucia, or in any appeal from such proceedings, arising directly from any such request.

(4) Subject to subsection (5), the Authority, after having sent a copy of a request for information to the Attorney General in accordance with subsection (3), may disclose to a regulatory authority information necessary to enable that regulatory authority to exercise regulatory functions including the conduct of civil or administrative investigations and proceedings to enforce laws, regulations and rules administered by that regulatory authority.

(5) The Authority may decline to exercise its power under subsection (4) unless the regulatory authority undertakes to make such contribution towards the costs of the exercise as the Authority considers appropriate.

(6) Nothing in this section authorises a disclosure by the Authority unless —

- (a) the Authority is satisfied that the regulatory authority is subject to adequate legal restrictions on further disclosures which shall include the provision of an undertaking of confidentiality or the Authority has been given an undertaking by the regulatory authority not to disclose the information provided without the consent of the Authority;
- (b) the Authority is satisfied that the assistance requested by the regulatory authority is required for the purposes of the regulatory authority's regulatory functions including the conduct of civil or administrative investigations or proceedings to enforce laws administered by that regulatory authority; and
- (c) the Authority is satisfied that information provided following the exercise of its powers under subsection (1) will not be used in criminal proceedings against the person providing the information other than proceedings for an offence of perjury.

#### **PART 4 MISCELLANEOUS**

##### **Fees**

**39.** A regulated entity shall pay to the Accountant General, at the prescribed time, a prescribed fee on account for any act, matter or thing done or required to be done under this Act or any enactment specified in Schedule 1 and such shall form part of the Consolidated Funds.

##### **Fee for late filing**

**40.—(1)** The Authority may require a regulated entity to pay a late filing fee of a prescribed amount where that person fails to —

- (a) file a return or other information required to be filed by that regulated entity under this Act or any enactment specified in Schedule 1 at the interval set out in, or within the time required by that enactment;
- (b) provide complete and accurate information with respect to a return or other information required to be filed by that regulated entity under this Act or any enactment specified in Schedule 1; or
- (c) pay the fee that is payable under section 39 at the prescribed time.

(2) A failure to file a return, provide information or pay the fee under subsection (1) is deemed to be a contravention for each day during which the failure continues.

#### **Debt due to the Authority**

**41.**—(1) A fee that is payable under section 39 or 40(1) constitutes a debt due to the Authority and may be recovered as a debt in any court of competent jurisdiction.

(2) Interest shall be charged on the unpaid amount of a fee that is payable under section 39 or 40(1) at the rate of one and one half per cent per month or part of the fee for the period during which the fee remains unpaid.

#### **General penalty**

**42.** A person who commits an offence under this Act for which no penalty is given is liable on summary conviction to a fine not exceeding five thousand dollars.

#### **Amendment of enactments**

43. The enactments specified in the first column of Schedule 3 are amended to the extent specified in the second column of Schedule 3.

#### **Additional powers of the Authority**

The powers conferred on the Authority pursuant to this Act are, in addition to any other powers conferred on the Authority, pursuant to any other enactment in force in Saint Lucia.

#### **Appeals**

45.— (1) There is hereby established an Appeals Tribunal for the purpose of hearing appeals pursuant to this section.

(2) The Appeals Tribunal established pursuant to subsection (1) shall comprise three persons appointed by the Minister in consultation with the injured sector.

(3) An appeal against the decision of the Authority pursuant to this Act or an enactment specified in Schedule 1 lies to the Appeals Tribunal appointed pursuant to subsection (1) except where an enactment specified in Schedule 1 provides otherwise.

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(4) The Appeals Tribunal appointed pursuant to subsection (1) shall regulate its own procedure.

(5) A person aggrieved by a decision of the Tribunal may appeal to a Judge of the High Court.

#### **Amendment of Schedules**

**46.** The Minister may by Order published in the *Gazette* amend Schedule 1, 2 and 3.

#### **Regulations**

**47.** The Minister may make Regulations —

- (a) prescribing anything that is required or authorized by this Act to be prescribed;
- (b) generally for carrying out the purposes and giving effect to the provisions of this Act;
- (c) prescribing the terms and conditions of employment.

#### **Transitional**

**48.** Where pursuant to an enactment specified in Schedule 1, the enactment was prior to the commencement of this Act administered by a Department of Government, public authority or person, other than the Authority or the power to regulate a financial service was vested in a Department of Government, public authority or person, other than the Authority, the Government Department, public authority or person shall, until the appointment of the Board of the Authority, the Executive Director and the other staff of the Authority in accordance with sections 5, 7 and 8 —

- (a) continue to administer the enactment or to regulate the financial service;
- (b) have the powers, duties, functions, rights and obligations vested under the enactment specified in Schedule 1 prior to the commencement of this Act.



**SCHEDULE 1**

( *Sections 2, 13, 17, 33, 34, 36, 39, 40, 45, 46 and 48* )

**ENACTMENTS**

1. Cooperatives Societies Act, Cap. 12.06 (*with regard to credit unions only*)
2. Insurance Act
3. International Banks Act, Cap.12.17
4. International Insurance Act, Cap.12.15
5. International Mutual Funds Act, 2006, No. 22
6. Money Services Business Act
7. Registered Agent and Trustees Act, Cap. 12.12
8. Saint Lucia Development Bank Act No. 12 of 2008

**SCHEDULE 2**

*(Section 15)*

**OATH OF SECRECY**

**Form of oath to be taken by the Directors, Officers and Employees**

I, ..... (name) swear and affirm that I will well and faithfully discharge the duties as a [director, officer or employee] of the Financial Services Regulatory Authority under the Financial Services Regulatory Authority Act, 200[ ] and the rules and instructions thereunder and that I will not without due authority in that behalf disclose or make known any matter or thing that comes to my knowledge by reason of my employment or office.

**SCHEDULE 3***(Section 41)***ENACTMENTS AMENDED****International Banks Act, Cap. 12.17**

- The International Banks Act, Cap 12.17 is amended –
- (a) by deleting the word "Director" appearing in item 18 of the Arrangement of Sections and by substituting the word "Authority";
  - (b) by deleting the word "Minister" appearing in item 20 of the Arrangement of Sections and by substituting the word "Authority";
  - (c) in section 2, by inserting the following definition of the word "Authority" in the correct alphabetical sequence: "Authority" means the Financial Services Regulatory Authority established under the Financial Services Regulatory Authority Act;
  - (d) in section 2, by deleting the definition of the word "Director";
  - (e) in section 2, by deleting the definition of "Minister" and by substituting the following: "Minister" means Minister responsible for Finance";
  - (f) by deleting section 18 and by substituting the following

**"18. Duties of Authority**

- (1) The Authority shall—
  - (a) maintain a general review of international banking practice in Saint Lucia;
  - (b) examine, in such manner as the Authority thinks necessary, the affairs or business of any licensee for the purpose of satisfying the Authority that this Act is being complied with and that the licensee is in a sound financial position;
  - (c) assist in the investigation of any offence against the law in force in Saint Lucia which the authority has reasonable grounds to believe has or may have been committed by a licensee or by any of its directors or officers in their capacity as such;

	<p>(d) examine returns, certificates and audited annual accounts; and</p> <p>(e) examine and determine applications for licences.</p> <p>(2) In the performance of the Authority's duties under this Act and to verify compliance with the provisions of this Act by a licensee, subject to section 19, the Authority is entitled at all reasonable times—</p> <p>(a) to have access at its registered office to such books, records, vouchers, documents, cash, securities and other information or a licensee as may be specified by the Authority ;</p> <p>(b) to require the directors, officers and auditor of a licensee to provide information and explanations of the condition and affairs of the licensee;</p> <p>(c) to request any relevant information, matter or thing from any person who the Authority has reasonable grounds to believe is carrying on international banking business in Saint Lucia in contravention of section 3;</p> <p>(d) to request any relevant information, return or certificate from a licensee on a regular basis;</p> <p>(e) to request from any person information or expert advice relevant to the duties of the Authority and to provide to the person assurances regarding the confidential treatment of the information or any other assurances as the Authority may reasonably provide.</p> <p>(3) Where the Authority requires a person to provide information and explanations under subsection (2)(b) and the Authority is not satisfied with the information or explanations, the Authority may exercise its powers under section 20.</p> <p>(4) The Authority, may, in writing, authorise any other person to assist the Authority in the performance of the Authority's functions under this Act.</p>
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	<p>(5) If it appears to the Authority that there are reasonable grounds for suspecting that an offence against this Act has been or is being committed by any person, the Authority may, with the approval of the Court, take such action as the Authority considers necessary, in the interests of the depositors or other creditors of that person, to preserve any assets held by that person. " ;</p> <p>(g) in section 22, by deleting the chapeau and by substituting the following: "A voluntary liquidation of a licensee shall be subject to authorisation by the Authority and the Authority shall so authorise if -";</p> <p>(h) in section 46, by deleting the words "as the Minister may prescribe" and by substituting the words "as the Authority determines";</p> <p>(i) in section 47, by deleting the words "Minister may prescribe" and by substituting the words "Authority determines";</p> <p>(j) by deleting subsection (1) of section 50 and by substituting the following:</p> <p>"(1) A person shall not—</p> <ul style="list-style-type: none"> <li>(a) fail to comply with a request made of that person by the Authority or a person authorised by the Authority;</li> <li>(b) assault or wilfully obstruct the Authority or a person authorised by the Authority in the performance of the Authority's duties under this Act; or</li> <li>(c) by the offer of any gratuity, bribe or any other inducement prevent or attempt to prevent the Authority or a person authorised by the Authority from performing any duty under this Act. " ;</li> </ul> <p>(k) by deleting the words "Minister or Director" appearing in section 50 and by substituting the word "Authority";</p> <p>(l) by deleting the words "his or her" appearing in subsection (2) of section 51 and by substituting the word "its";</p>
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	<p>(m) by deleting section 53 and by substituting the following:</p> <p style="text-align: center;"><b>"53. IMMUNITY</b></p> <p>The Authority or a person authorised by the Authority shall not be liable in damages for anything done or omitted in the discharge or purported discharge of their respective functions under this Act, unless it is shown that the act or omission was in bad faith. ";</p> <p>(n) by deleting the word "Minister" where it appears in the Act, and by substituting the word "Authority" except in the definition of "Minister" in section 2, in subsection (3) of section 8 and in section 56;</p> <p>(o) by deleting the word "Director" where it appears in the Act with its first letter "D" capitalised and by substituting the word "Authority".</p>
<p><b>International Insurance Act, Cap. 12.15</b></p>	<p>The International Insurance Act, Cap. 12.15 is amended-</p> <ul style="list-style-type: none"> <li>(a) by deleting the word "Director" appearing in item 19 of the Arrangement of Sections and by substituting the word "Authority";</li> <li>(b) by deleting the word "Minister" appearing in item 21 of the Arrangement of Sections and by substituting the word "Authority";</li> <li>(c) in section 2, by inserting the following definition of the word "Authority" in the correct alphabetical sequence: "Authority" means the Financial Services Regulatory Authority established under the Financial Services Regulatory Authority Act;</li> <li>(d) in section 2, by deleting the definition of the word "Director";</li> <li>(e) in section 2, by deleting the definition of "Minister" and by substituting the following: "Minister" means Minister responsible for Finance;</li> <li>(f) in section 12, by deleting the words "the Minister may reasonably prescribe" wherever</li> </ul>

	<p>they appear in that section and by substituting the words "as may be prescribed";</p> <p>(g) in section 12 by deleting the words "the Minister may reasonably determine" wherever they appear in that section and by substituting the words "as may be prescribed";</p> <p>(h) by deleting section 19 and by substituting the following:</p> <p><b>"19. Powers and duties of Authority</b></p> <p>(1) The Authority shall—</p> <p>(a) maintain a general review of international insurance practice in Saint Lucia;</p> <p>(b) examine, in such manner as the Authority thinks necessary, the affairs or business of any licensee for the purpose of satisfying the Authority that this Act is being complied with and that the licensee is in a sound financial position;</p> <p>(c) assist in the investigation of any offence against the law in force in Saint Lucia which the authority has reasonable grounds to believe has or may have been committed by a licensee or by any of its directors or officers in their capacity as such;</p> <p>(d) examine returns, certificates and audited annual accounts; and</p> <p>(e) examine and determine applications for licences.</p> <p>(2) In the performance of the Authority's duties under this Act and to verify compliance with the provisions of this Act by a licensee, subject to section 20, the Authority is entitled at all reasonable times—</p> <p>(a) to have access at its registered office to such books, records, vouchers, documents, cash, securities and other information on a licensee as may be specified by the Authority ;</p> <p>(b) to require the directors, officers and auditor of a licensee to provide information and explanations of the condition and affairs of the licensee;</p>
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	<p>(c) to request any relevant information, matter or thing from any person who the Authority has reasonable grounds to believe is carrying on international insurance business in Saint Lucia in contravention of section 3(1);</p> <p>(d) to request any relevant information, return or certificate from a licensee on a regular basis;</p> <p>(e) to request from any person information or expert advice relevant to the duties of the Authority and to provide to the person assurances regarding the confidential treatment of the information or any other assurances as the Authority may reasonably provide.</p> <p>(3) Where the Authority requires a person to provide information and explanations under subsection (2)(b) and the Authority is not satisfied with the information or explanations, the Authority may exercise its powers under section 21.</p> <p>(4) The Authority may in writing, authorise any other person to assist the Authority in the performance of the Authority's functions under this Act.</p> <p>(5) If it appears to the Authority that there are reasonable grounds for suspecting that an offence against this Act has been or is being committed by any person, the Authority may, with the approval of the Court, take such action as the Authority considers necessary, in the interests of the policy holders or other creditors of that person, to preserve any assets held by that person. ";</p> <p>(i) by deleting subsection (1) of section 23 and by substituting the following:</p> <p>"(1) A person shall not —</p> <p>(a) fail to comply with a request made of that person by the Authority or a person authorised by the Authority;</p> <p>(b) assault or wilfully obstruct the Authority or a person authorised by the Authority</p>
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	<p>in the performance of the Authority's duties under this Act; or</p> <p>(c) by the offer of any gratuity, bribe or any other inducement, prevent or attempt to prevent the Authority or a person authorised by the Authority from performing any duty under this Act. " ;</p> <p>(j) by deleting the words "Minister or Director" appearing in section 23 and by substituting the word "Authority";</p> <p>(k) by deleting the words "his or her" appearing in subsection (2) of section 24 and by substituting the word "its";</p> <p>(l) by deleting section 26 and by substituting the following:</p> <p style="text-align: center;"><b>"26. IMMUNITY</b></p> <p>The Authority or a person authorised by the Authority shall not be liable in damages for anything done or omitted in the discharge or purported discharge of their respective functions under this Act, unless it is shown that the act or omission was in bad faith.";</p> <p>(m) by deleting the word "Minister" where it appears in the Act and by substituting the word "Authority", except in the definition of "Minister" in section 2, in subsection (3) of section 8 and in section 28; "</p> <p>(n) by deleting the word "Director" wherever it appears in the Act with its first letter "D" capitalised and by substituting the word "Authority".</p>
<p><b>International Mutual Funds Act, 2006, No. 22</b></p>	<p>The International Mutual Funds Act, 2006, No. 22 is amended -</p> <p>(a) by deleting the word "Director" appearing in items 36, 41, 46 and 50 of the Arrangement of Sections and by substituting the word "Authority";</p> <p>(b) by deleting the word "Director" in item 21 of the arrangement of sections and by substituting the word "director" beginning with a small "d";</p>

	<ul style="list-style-type: none"> <li>(c) by deleting the word "Minister" appearing in items 34, 35 and 36 of the Arrangement of Sections and by substituting the word "Authority";</li> <li>(d) in section 2 by inserting the following definition of the word "Authority" in the correct alphabetical sequence: ""Authority" means the Financial Services Regulatory Authority established under the Financial Services Regulatory Authority Act;</li> <li>(e) in section 2, by deleting the definition of the word "Director";</li> <li>(f) in section 2, by deleting the definition of "Minister" and by substituting the following: "Minister" means Minister responsible for Finance";</li> <li>(g) by deleting the words "his or her" appearing in section 26(1) (a) and by substituting the word "its";</li> <li>(h) by deleting paragraph (d) of section 36 and substituting the following: "(d) examine and determine applications for licences pursuant to this Act. " ;</li> <li>(i) by deleting the words "with the approval of the Minister" appearing at the beginning of sections 37(2), 42(2) and 47(2);</li> <li>(j) by deleting paragraph (d) of section 46 and substituting the following: "(d) examine and determine applications for licences pursuant to this Act. " ;</li> <li>(k) by deleting the words "Minister or Director" appearing in sections 53, 54 and 57 and by substituting the word "Authority";</li> <li>(l) by deleting the word "Minister" where it appears in the Act, and by substituting the word "Authority" except in the definition of "Minister" in section 2, in subsection (3) of section 2, subsection (3) of section 11 and section 60;</li> </ul>
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	(m) by deleting the word "Director" wherever it appears in the Act with its first letter "D" capitalised and by substituting the word "Authority".
<b>Registered Agent and Trustee Licensing Act, Cap. 12.12</b>	<p>The Registered Agent and Trustee Licensing Act, Cap 12.12 is amended -</p> <ul style="list-style-type: none"> <li>(a) by deleting the word "Director" appearing in items 11, 13 and 15 of the Arrangement of Sections and by substituting the word "Authority";</li> <li>(b) by deleting the word "Minister" appearing in item 14 of the Arrangement of Sections and by substituting the word "Authority";</li> <li>(c) in section 2, by inserting the following definition of the word "Authority" in the correct alphabetical sequence: "Authority" means the Financial Services Regulatory Authority established under the Financial Services Regulatory Authority Act;</li> <li>(d) in section 2, by deleting the definition of the word "Director";</li> <li>(e) in section 2, by deleting the definition of "Minister" and by substituting the following: "Minister" means Minister responsible for Finance";</li> <li>(f) in section 6, by deleting the words "Where the Minister on the advice of the Director" appearing in subsection (1) and by substituting the words "Where the Authority"</li> <li>(g) by deleting section 11 and by substituting the following: <b>"11. Authority</b> The Authority shall be responsible for ensuring compliance with the provisions of this Act."</li> <li>(h) by deleting sections 12, 13 and 14;</li> </ul>

	<ul style="list-style-type: none"> <li>(i) in section 15, by deleting the words "the recommendation by the Director to the Minister of";</li> <li>(j) in section 20, by deleting the words "copied to the Minister appearing in subsection (2);</li> <li>(k) in section 20, by deleting the chapeau of subsection (4) and by substituting the following: "(4) Where a matter is regarded as grave under subsection (1), the Minister may-</li> <li>(l) by deleting section 53 and by substituting the following: <b>"27. IMMUNITY</b> An action, prosecution or other proceedings shall not be brought against the Minister, the Authority, the Financial Centre Corporation or an agent of the Financial Centre Corporation or other person in respect of any acts or matters done or omitted to be done in good faith in the discharge of functions conferred by this Act. " ;</li> <li>(m) by deleting the word "Minister" where it appears in the Act, except in the definitions of "Minister" in section 2, section 27 and in section 30, and by substituting the word "Authority";</li> <li>(n) by deleting the word "Director" where it appears in the Act with its first letter "D" capitalised and by substituting the word "Authority".</li> </ul>
<p><b>International Business Companies Act, Cap. 12.14</b></p>	<p>The International Business Companies Act, Cap. 12.1 is amended –</p> <ul style="list-style-type: none"> <li>(a) in section 2, by inserting the following definition of the word "Authority" in the correct alphabetical sequence: "Authority" means the Financial Services Regulatory Authority established under the Financial Services Regulatory Authority Act; "</li> <li>(b) by deleting the word "Minister" where it</li> </ul>

	appears in section 5 and by substituting the word "Authority".
<p><b>International Partnership Act, 2006, No. 23</b></p>	<p>The International Partnership Act 2006, No. 23 is amended —</p> <ul style="list-style-type: none"> <li>(a) in section 2, by inserting the following definition of the word "Authority" in the correct alphabetical sequence; "Authority" means the Financial Services Regulatory Authority established under the Financial Services Regulatory Authority Act;</li> <li>(b) in section 2 by deleting the definition of "Director";</li> <li>(c) in section 88 by deleting the word "Director" where it appears and by substituting the word "Authority";</li> <li>(d) in section 108 by deleting the words "Director of Financial Services" wherever it appears and by substituting the word "Authority"; and</li> <li>(e) in section 4 by - <ul style="list-style-type: none"> <li>i. inserting after the section designation "(4)", the subsection designation "(1)"; and</li> <li>ii. adding the following new subsections (2), (3) and (4): <p>"(2) The Registrar shall not register an international partnership under this Act for the purpose of engaging in international mutual fund business unless its registration has been consented to by the Authority.</p> </li> </ul> </li> </ul> <p>(3) A person who requires the consent of the Authority under</p>

	<p>subsection (2) shall submit a proposal to that effect to the Authority and the Authority may consent to the incorporation.</p> <p>(4) Nothing done by the Authority under subsection (3) shall preclude the Authority from refusing an application for a licence under the International Mutual Funds Act.</p>
<p><b>Co-operatives Societies Act, Cap. 12.06</b></p>	<p>The Co-operatives Societies Act, Cap 12.06 is amended –</p> <p>(a) in section 2 by inserting the following as subsection (3):  "(3) A reference in this Act to "Registrar" or "Registrar of Co-operatives" shall in relation to —</p> <ul style="list-style-type: none"> <li>(a) a credit union be construed as a reference to the Financial Services Regulatory Authority established under the Financial Services Regulatory Authority Act, and referred to in section 5A;</li> <li>(b) any other co-operative society be construed as a reference to the Registrar of Co-operatives referred to in section 5.";</li> </ul> <p>(b) by inserting the following section immediately after section 5 as section 5A—</p> <p>"5A. Notwithstanding subsection 5, for the purposes of regulating credit unions, the Registrar of Co-operatives shall be the Financial Services Regulatory Authority and a credit union shall, in addition to the provisions of this Act, be subject to the provisions of the Financial Services Regulatory Authority Act and the Financial Services Regulatory Authority shall be responsible for the administration of this Act in relation to credit unions." .</p>

<p><b>Saint Lucia Development Bank Act, No. 12 of 2008</b></p>	<p>The Saint Lucia Development Bank Act, No. 12 of 2008 is amended —</p> <ul style="list-style-type: none"> <li>(a) in section 2 by deleting the definition of the words "banking business" and substituting the following: "banking business" means the business of receiving funds through —</li> <li>(a) the acceptance of monetary deposits, other financial instruments and securities for use as collateral for loans;</li> <li>(b) the acceptance of — <ul style="list-style-type: none"> <li>i. time deposits for duration exceeding one year; and</li> <li>ii. loans from other institutions for the purpose of financing the Bank's lending programmes; "</li> </ul> </li> <li>(b) in section 2 by deleting the definition of the words "Central Bank";</li> <li>(c) in section 2 by inserting the following definitions in their proper alphabetical sequence: "Eastern Caribbean Securities Regulatory Commission" means the Eastern Caribbean Securities Regulatory Commission established by article 3 of the agreement establishing the Eastern Caribbean Securities Regulatory Commission made on 24 November 2000, the text of which is set out in the Schedule to the Securities Act, Cap. 12.18; "Financial Services Regulatory Authority" means the Financial Services Regulatory Authority established under section 3 of the Financial Services Regulatory Authority Act; "</li> <li>(d) in section 2 by adding after the words "risk bearing" in the definition of the words "investment banking" the following words: "and other investment or securities business permissible under the Securities Act, Cap. 12.18, and regulated by the Eastern Caribbean Securities Regulatory Commission; "</li> </ul>
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	<p>(e) in section 2, by inserting the following definition of the word "deposit" in the correct alphabetical sequence:</p> <p>"deposit" means any time deposit for a duration exceeding one year to be used as collateral for loans or to finance the Bank's lending programme; ";</p> <p>(f) in section 5, by deleting the comma and the word "on" appearing between the words "accept" and "deposit" in subsection (2) (a);</p> <p>(g) in section 25, by deleting the words "after consultation with the Minister";</p> <p>(h) in section 31, by deleting the full stop in paragraph (b) and inserting the following new paragraph (c):</p> <p>"(c) paragraphs (a) and (b) are subject to the approval of the Financial Services Regulatory Authority".</p> <p>(i) by repealing section 47;</p> <p>(j) by deleting section 48 and by substituting the following:</p> <p>"48. Unless otherwise expressly stated in this Act, the provisions of the Financial Services Regulatory Authority Act applies to the Bank.".</p>
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No. 13 ] *Financial Services Regulatory Authority Act* [ 2011.

Passed in the House of Assembly this 22nd day of March, 2011.

ROSEMARIE HUSBANDS-MATHURIN,  
*Speaker of the House.*

Passed in the Senate this 24th day of March, 2011.

EVERISTUS JN. MARIE  
*Deputy President of the Senate.*

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