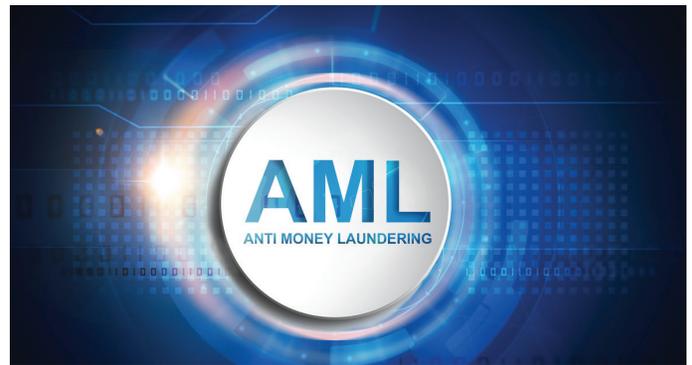




ANTI-MONEY LAUNDERING & COMBATTING TERRORIST FINANCING GUIDELINES FOR THE BANKING SECTOR



On 1 July 2020, the BVI Financial Services Commission (the “Commission”) issued the Anti-Money Laundering & Combatting Terrorist Financing Guidelines for the Banking Sector in its continuing efforts to support its licensee’s understanding of their AML/CFT obligations. The guidelines provide user-friendly and practical guidance to banking institutions on the obligations created under the Territory’s AML/CFT framework. They also describe the components necessary for implementing suitable AML/CFT programmes within banks. Banks should use these guidelines as a tool to aid in compliance with AML/CFT obligations under legislation, and the recommendations of the Financial Action Task Force.



BVI FSC RELEASES GUIDANCE ON REGULATION OF VIRTUAL ASSETS IN THE VIRGIN ISLANDS (BVI)

The Commission urges regulated entities and persons to review its recently published Guidance on the Regulation of Virtual Assets in the Territory of the Virgin Islands. Persons are asked to note the Commission's position on the activities within its regulatory remit to avoid any violation of financial services laws relating to the use of or trading in virtual assets in or from within the Territory.

**LEGISLATION UPDATE:
INSOLVENCY
PRACTITIONERS
(AMENDMENT)
REGULATIONS, 2020**



The Insolvency Practitioners (Amendment) Regulations, 2020 (the 'Regulations') will come into force on 1 August 2020. The Regulations were published in the Virgin Islands Gazette on 16 July 2020 and introduced a filing fee of \$500 for the notification of the proposed appointment of an overseas insolvency practitioner.



PUBLIC STATEMENT ISSUED AGAINST GLOBAL TRADER INVESTMENT; TROY FINANCIAL INC; HUBXTRADE INVESTMENT TEAM

The British Virgin Islands Financial Services Commission (the "Commission") considers it necessary to issue Public Statements against GLOBAL TRADER INVESTMENT, TROY FINANCIAL INC., and HUBXTRADE INVESTMENT TEAM to protect the customers, creditors, or persons who may have been solicited to conduct business with purported financial services entities. The public is advised to exercise caution. See our Public Statements [here](#).

ADVISORY WARNING NO. 1 OF 2020 - PYRAMID SCHEMES



The Commission is aware that there are pyramid schemes which are being marketed to BVI residents as investment opportunities and highlighted concerns in its Advisory Warning No. 1 of 2020.

A pyramid scheme can be defined as a fraudulent money-making scheme based on an unsustainable business model with a strong emphasis on recruiting associates into the plan, a promise of high returns within a short period, and no evidence of a legitimate product or service secured. While there are some legitimate uses of pyramid structures to sell products or other services, a pyramid structure can quickly become a pyramid scheme used for illicit purposes and result in financial loss.

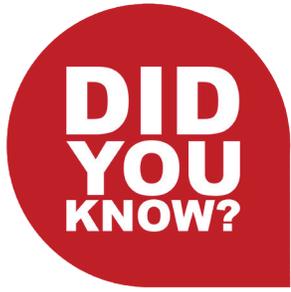
The Commission has a responsibility under s. 4(1)(I) of the Financial Services Commission Act, 2001 to issue advisories to investors, licensees and the general public as it considers appropriate and provides the public with information about financial services matters. To better safeguard more vulnerable persons in the BVI community from investment scams, the Commission issued an Advisory Warning against pyramid schemes.



**FSC ASIA
REPRESENTATIVE OFFICE
IN HONG KONG CLOSED
DUE TO COVID-19 WAVE:
ELECTRONIC CERTIFICATES
AVAILABLE THROUGH
VIRGIN**

Due to the resurgence of the COVID-19 virus in Hong Kong and on the advice published by the Hong Kong Government and health authorities, our Asia Representative Office of the Commission is closed, effective Monday, 20 July 2020.

Registered Agents are advised of our adjusted levels of services.



FINANCIAL ACTION TASK FORCE (FATF) AND CFATF - STAY ALERT

The Territory is preparing for our Fourth Round Mutual Evaluation assessment as a member jurisdiction of the Caribbean Financial Action Task Force (CFATF). The assessment will determine how well the Territory is implementing FATF guidelines and recommendations on Anti-Money Laundering and Countering of Terrorist Financing. Industry Practitioners are advised to stay abreast of emerging trends and counter-measures against money laundering and terrorism and proliferation financing, issued regularly by the both the Financial Action Task Force (FATF) (www.fatf-gafi.org) and Caribbean Financial Action Task Force (CFATF) (www.cftatf-gafic.org).

The Commission encourages persons in the industry to continue to visit these sites and become familiar with any published guidance that may be relevant to specific areas of their business. The Commission is preparing a dedicated space on our website, to make it easier for persons to locate and access AML/CFT guidance and information.

FOR YOUR CALENDAR

31 July, 2020	Money Services Business Licensees - Prudential Returns for Q2 2020.
	Banking Licensees - Prudential Returns for Q2 2020.
	Banking licensees - Large Exposures Policies.