

# Financial Services Commission

## Statistical Bulletin

Vol. 2 July 2006

Legal & Enforcement

Insolvency Services

Banking & Fiduciary

Investment Business

Insurance

ROCA

### Introduction

The British Virgin Islands Financial Services Commission (FSC) strives to keep the industry and general public informed about how we are serving you. The FSC's Statistical Bulletin is just one mechanism by which the FSC communicates the progress that has been made within several different sectors of our industry.

We believe that having useful and accurate information about the services we provide is of utmost importance. We hope this bulletin helps you with your business endeavours and informs you about the progress we are making.

### Legal/Enforcement and International Cooperation

The Legal and Enforcement Division represents the FSC in general and enforcement matters as well as provides support and advice to the Board of Commissioners and internal divisions.

On-going supervision of regulated entities resulted in the division taking some action against eight (8) entities. In respect of international cooperation matters, the FSC provides assistance to foreign regulatory and law enforcement authorities, within the confines of relevant legislation including the Financial Services Commission and International Cooperation Acts.

The eight (8) requests for assistance processed during the 2nd quarter, were primarily related to due

diligence issues and were received from regulatory bodies in Canada, Malaysia, France, The United States, Russia and The Bahamas.

Legal support not directly resulting in enforcement action was provided in 83 cases among Regulatory and other divisions of the FSC.

Legal and Enforcement Division		
	Quarter 2 2006	Quarter 1 2006
International Co-operation Matters		
Formal Requests*	3	9
Informal Requests**	5	6
Enforcement Matters	8	8
Advisory Warnings	0	1

\* requires the disclosure of non-public information  
 \*\* requires the disclosure of public information



#### About the Commission

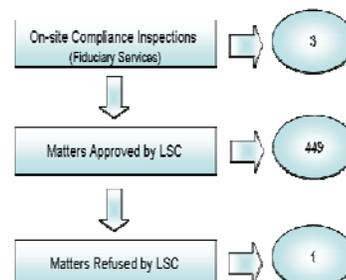
The Financial Services Commission Act, 2001 which came into force on 1 January, 2002, established the Financial Services Commission.

The Commission is an autonomous regulatory authority responsible for the regulation, supervision and inspection of all financial services in and from within the British Virgin Islands.

**Hours of Operation**  
 8:30 a.m. to 4:30 p.m.  
 Monday through Friday

**Enquiries**  
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#### On-Going Supervision 2nd Quarter 2006



## Banking & Fiduciary Services

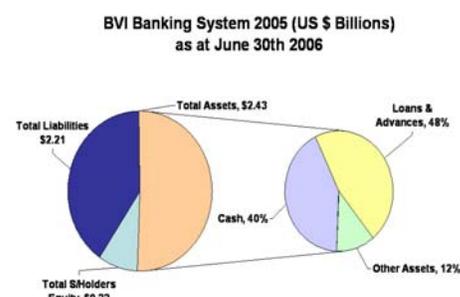
In the second quarter of 2006 six (6) new licences were granted – two (2) general trust and four (4) restricted trust. No new bank licences were granted therefore the total number of banks operating in and from within the BVI remained at nine (9) at the end of the second quarter.

There was little movement from previous quarters in the total assets and liabilities of the banking sector which was approximately US\$2.43 billion and US\$2.21 billion.

Banking and Fiduciary Services				
	Quarter 2 2006	Quarter 1 2006	Quarter 2 2005	Cumulative* as at 30 June, 2006
General Banking	0	1	0	6
Restricted Class 1 Banking	0	0	0	3
General Trust	2	3	0	100
Restricted Trust	4	2	4	107
Company Management	0	1	0	20
Authorised Custodian	0	1	0	4
Registered Agent	-	-	-	106

\* These figures reflect new licences granted and licences: renewed, surrendered and not renewed. In the second quarter 2006 no licences were either surrendered or not renewed.

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## Investment Business

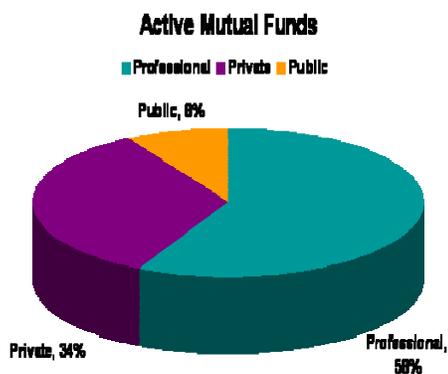
The growth of BVI domiciled funds continued in the 2nd quarter with an increase of approximately eight (8) percent compared with 2005.

Private and professional funds have maintained their attractiveness in the industry and account for the majority of new funds.

### Investment Business Division Statistics

	Quarter 2 2006	Quarter 1 2006	Quarter 2 2005	Cumulative* as at 30 June, 2006
Managers	19	18	16	446
Administrators	0	0	2	36
Managers & Administrators	0	0	1	50
Professional	70	83	64	1,458
Private	24	24	22	813
Public	1	5	2	200
<b>Total Mutual Funds</b>	<b>95</b>	<b>112</b>	<b>88</b>	<b>2,471</b>

\* These figures represent active entities.



Special Purpose Companies (SPCs) also continue to develop following the provisions made available in the BVI Business Companies Act and Quarter 2 saw the introduction of 3 new mutual funds SPCs. The total now stands at approximately 5 SPC funds with

238 segregated portfolios between them.

Licensed BVI fund managers also continue to increase with the quarter 2 figures bringing the total number to 446 at the end of June.

## Insolvency Services

The Insolvency Services Division licensed two Insolvency practitioners during the second quarter of 2006 and one licence was revoked.

The Official Receiver was appointed by the Court in two insolvency cases during the second quarter.

## Insurance

During the second quarter of 2006 five (5) new captive insurance companies were licensed and one new licence was issued to a domestic insurer. The FSC also approved the creation of five new segregated portfolios within existing Segregated Portfolio Companies. No new insurance manager licences were issued.

Insurance Industry			
	Quarter 2 2006	Quarter 1 2006	Quarter 2 2005
Captive Insurers	5	6	11
Domestic Insurers	1	0	0
Insurance Manager	0	0	2

## Registry of Corporate Affairs

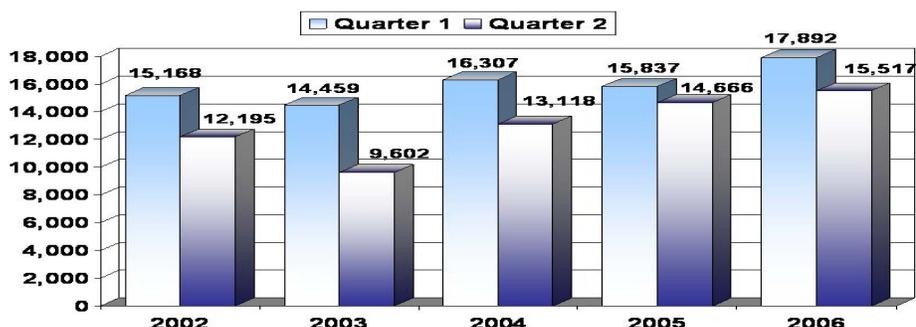
Approximately 15,500 BVIBCs were incorporated in the second quarter of 2006, bringing the half year total to 33,409.

Company incorporations have continued to climb under the Business Companies Act and a six (6) percent increase in the number of second quarter incorporations compared to the same period last year.

Registry of Corporate Affairs				
	Quarter 2 2006	Quarter 1 2006	Quarter 2 2005	Cumulative as at 30 June, 2006
Business Companies	15,517	17,892	82	35,438
IBC's	-	-	14,545	689,068*
Local Companies (Cap.285)	-	-	39	10,667
Limited Partnerships	29	17	16	404
Number of Dissolutions	1,079	1,141	1,143	40,182
Re-registrations – IBC's	469	264	0	841
Local Co's	11	7	0	21

\* This figure includes inactive companies.

Comparison of Incorporations (2002-2006)



The quarterly incorporation figures include IBCs and local companies and the 2005 and 2006 figures also include BVI Business Companies