

VIRGIN ISLANDS
FINANCING AND MONEY SERVICES (EXEMPTIONS)
REGULATIONS, 2015

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation and commencement.
2. Exemption in relation to financing business.

VIRGIN ISLANDS

STATUTORY INSTRUMENT 2015 NO.33

**FINANCING AND MONEY SERVICES ACT, 2009
(No. 9 of 2009)**

Financing and Money Services (Exemptions) Regulations, 2015

[Gazetted 14th May, 2015]

The Cabinet, acting on the advice of the Financial Services Commission and in exercise of the powers conferred by sections 5 (2) and 49 (1) of the Financing and Money Services Act, 2009 (No. 9 of 2009) makes these Regulations:

Citation and commencement.

1. These Regulations may be cited as the Financing and Money Services (Exemptions) Regulations, 2015 and shall come into force on the 1st day of June, 2015.

Exemption in relation to financing business.

2. (1) Subject to sub-regulations (2) and (3), a company shall not be considered to be carrying on financing business and is therefore exempted from the requirement to be licensed by virtue of section 7 (1) of the Financing and Money Services Act, 2009 if the company

(a) is incorporated or registered in a jurisdiction outside the Virgin Islands, and

(b) is not prohibited under the laws of the jurisdiction in which it is incorporated or registered from providing credit under financing agreements to borrowers resident outside that jurisdiction.

(2) A company that is exempted from being licensed by virtue of sub-regulation (1) may provide credit under a financing agreement to a borrower resident in the Virgin Islands if

(a) the borrower is unable to secure a loan facility from a bank licensed to carry on business in the Virgin Islands;

(b) the company intends to provide financing to the borrower in the Virgin Islands in an amount not exceeding \$1,000,000; and

(c) the company is from a recognised jurisdiction.

(3) The total number of borrowers in the Virgin Islands to whom a company exempted under sub-regulation (1) may provide credit under a financing agreement shall not exceed 5.

(4) For purposes of subregulation (2),

(a) a borrower may be treated as unable to secure a loan facility from a bank licensed to carry on business in the Virgin Islands if the borrower

(i) provides an affidavit notarized by a notary public registered in the Virgin Islands attesting to his or her inability to secure a loan facility and the reasons therefor ; and

(ii) lodges the affidavit with the Commission prior to entering into any financing agreement or receiving credit pursuant to a financing agreement, whichever comes first; and

(b) the term “recognised jurisdiction” refers to a jurisdiction listed in Schedule 2 of the Anti-Money Laundering and Terrorist Financing Code of Practice, 2008, provided that that jurisdiction regulates the activity of financing business.

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(5) Where an affidavit provided under sub-regulation (4) (a) is found to be inaccurate or false in any material particular, the person providing the affidavit commits an offence and is liable on conviction to a fine not exceeding \$20,000 or to a term of imprisonment not exceeding 2 years.

Made by the Cabinet this 14th day of May, 2015.

(Sgd.) Sandra Ward,
Cabinet Secretary.