

Vol. 57 | December 2019

# STATISTICAL

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## BULLETIN

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# STATISTICAL BULLETIN - Q4 2019

This is the fifty-seventh volume of the BVI Financial Services Commission's Quarterly Statistical Bulletin. It provides important statistics, information and analysis on financial services activities for the fourth quarter of 2019. The FSC's Statistical Bulletin is one mechanism by which the FSC communicates the progress made within several different sectors of the Financial Services industry.

## Registry of Corporate Affairs

The Registry of Corporate Affairs primarily administers the BVI Business Companies Act, 2004, the Limited Partnership Act, 1996 the Limited Partnership Act, 2017, the UK Patents Act, 1925, the Trade Marks Act, 2015 and the Trade Mark Rules, 2015. It is responsible for ensuring that entities doing business in and from within the Territory are duly registered and maintains the required Registers of Companies.

*Table 1 below provides the number of new Incorporations for Q4 2019.*

### Incorporations

	Q4 2019	Q3 2019	Q4 2018	**Total BCs on the Register (as at 31 <sup>st</sup> December 2019)
*BC Quarterly Incorporations	5,596	6,975	8,916	387,344

\*Company incorporations include new BCs, private trust companies, foreign companies and continuations.

The number of new incorporations in Q4 2019 decreased by 37.24% when compared to the number of new incorporations in Q4 2018. There was a 19.77% decrease in the number of new incorporations when compared to Q3 2019.

*Table 2 below provides the number of new BC's for the selected listed Registration Categories\*\*.*

Other BC Registration Categories	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total number of Registrations on the Register (as at 31 <sup>st</sup> December 2019)
Restricted Purpose Companies (RPCs)	-	-	-	-	15
Segregated Portfolio Companies (SPCs)	1	2	-	-	99
Private Trust Companies (PTCs)	12	21	16	27	1,116
Non-Profit Organisations (NPOs)	-	1	1	-	37
Foreign Companies	1	-	1	1	63
Continuations	80	55	84	150	2,291

\*\* This table only lists selected registration categories and does not list all registration categories.

*Chart A below provides Company Incorporations by quarter for the period 2015-2019.*

**Company Incorporations (2015-2019)**

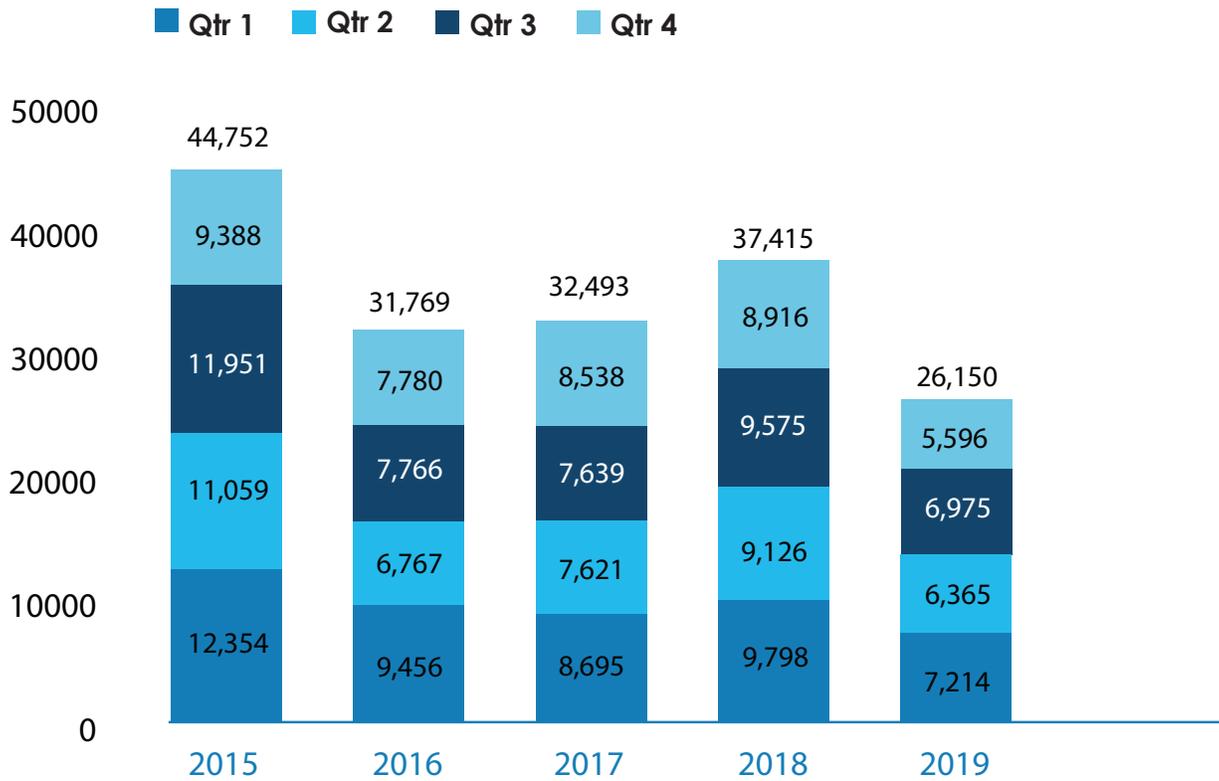


Table 3 Top 10 BC Transactions (2017-2019).

BC Transactions	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Name Reservation (10 days)	34,466	30,842	37,734	44,021	33,521	27,159	27,344	34,093	22,860	32,081
Registration of Members	-*	-*	419	514	559	427	450	390	388	403
Registration of Directors	33,547	36,186	26,610	25,191	25,147	25,318	20,273	20,757	19,711	19,524
Request for Certificate of Good Standing	12,546	14,432	13,341	14,202	12,647	12,755	12,353	12,592	12,040	11,675
Notice of Change of Registered Office Address	2,807	536	2,110	7,301	11,375	468	1,666	4,556	948	1,311
Registered Agent Intent to Resign	2,341	2,066	7,795	1,549	2,675	1,894	1,557	1,844	941	1,890
Filing of Notice of Appointment of Liquidator	2,439	3,916	2,576	2,465	2,237	2,801	2,249	2,288	2,477	2,807
Filing Notice of Completion of Liquidation	2,144	4,196	2,684	2,672	2,197	2,926	2,252	2,285	2,356	2,887
Application for Registration of Charge	2,172	2,677	2,291	2,437	2,144	2,208	2,274	2,116	1,902	1,951
Request for Certifications (BC)	1,957	2,892	2,597	2,354	1,920	2,180	1,701	1,625	1,266	1,520
Notice of Change of Registered Agent	2,444	4,028	3,740	5,941	1,770	3,222	1,508	1,513	1,180	1,952

Name Reservations (10 days) consistently falls in the two most frequent transactions seen from 2017 to 2019. The registration of Directors is the second most frequent transaction from 2017 - 2019. The total number of Name Reservations (10 days) transactions filed and approved for 2019 thus far is 116,378. 181 Name Reservations (90 days) have also been filed and approved in 2019 making the total number of Name Reservations filed and approved 116,559 for 2019.

\*Prior to Q1 2018, the transaction for the filing of Registers of Directors were counted along with the transaction for the filing of Registers of Members. The two have now been separated and recorded separately.

## Limited Partnerships

The Limited Partnership Act, 2017 ("The new act") was enacted in December 2017 and applies to all newly formed BVI limited partnerships. The limited partnership provisions of the 1996 Partnership Act continue to apply to limited partnerships which were formed prior to the commencement of the new Act and which have not re-registered under the aforementioned Act.

Chart B below indicates Limited Partnership Formations by Quarter.



There was a 43.24% increase in the number of new Limited Partnerships (LPs) formed in Q4 2019 when compared to Q4 2018. There was a 10.42% increase in the number of LPs formed in Q4 2019 when compared to Q3 2019.

Table 4 below provides a list of Selected Post Formation Transactions.

Q4 2019 Approved Transactions	Q4 2019	Q3 2019	Q4 2018
Amendment to Partnerships/General Amendments	1	6	11
L.P. Request Certificate of Good Standing	41	47	39
L.P. Notice of Dissolution	4	5	32
L.P. Registration of Limited Partnership	53	48	37
L.P. Notice of Completion of Liquidation	7	5	29
Request for Certifications	3	6	1
L.P. Registered Agent Intent to Resign	3	10	3
L.P. Notice of Resignation of Registered Agent	9	1	3
L.P. Notice of Continuation out of the Virgin Islands (Discontinuation)	-	-	-
L.P. Registration of Charge	-	-	8
Registration of L.P. Continuing under the Limited Partnership Act, 2017	9	2	-
Application for Continuation	-	-	-

## Trade Marks

The Intellectual Property Unit within the Registry of Corporate Affairs is responsible for administering all laws relating to intellectual property in the British Virgin Islands. Responsibilities currently include the registration and post registration filings under the Trade Marks Act 2013, and the Trade Marks Rules, 2013 and the Registration of United Kingdom Patents Act, 1925 (CAP.156) of the Laws of the Virgin Islands and The United Kingdom Designs (Protection) Act, 1930 (CAP.159) of the Laws of the Virgin Islands.

*Chart C below indicates the Number of New Applications to Register a Trade Mark filed by Quarter.*



The total number of new applications to register a Trade Mark for Q4 2019 increased by 60.34% when compared to Q4 2018. The total number of new applications to register a Trade Mark for Q4 2019 increased by 4.49% when compared to Q3 2019.

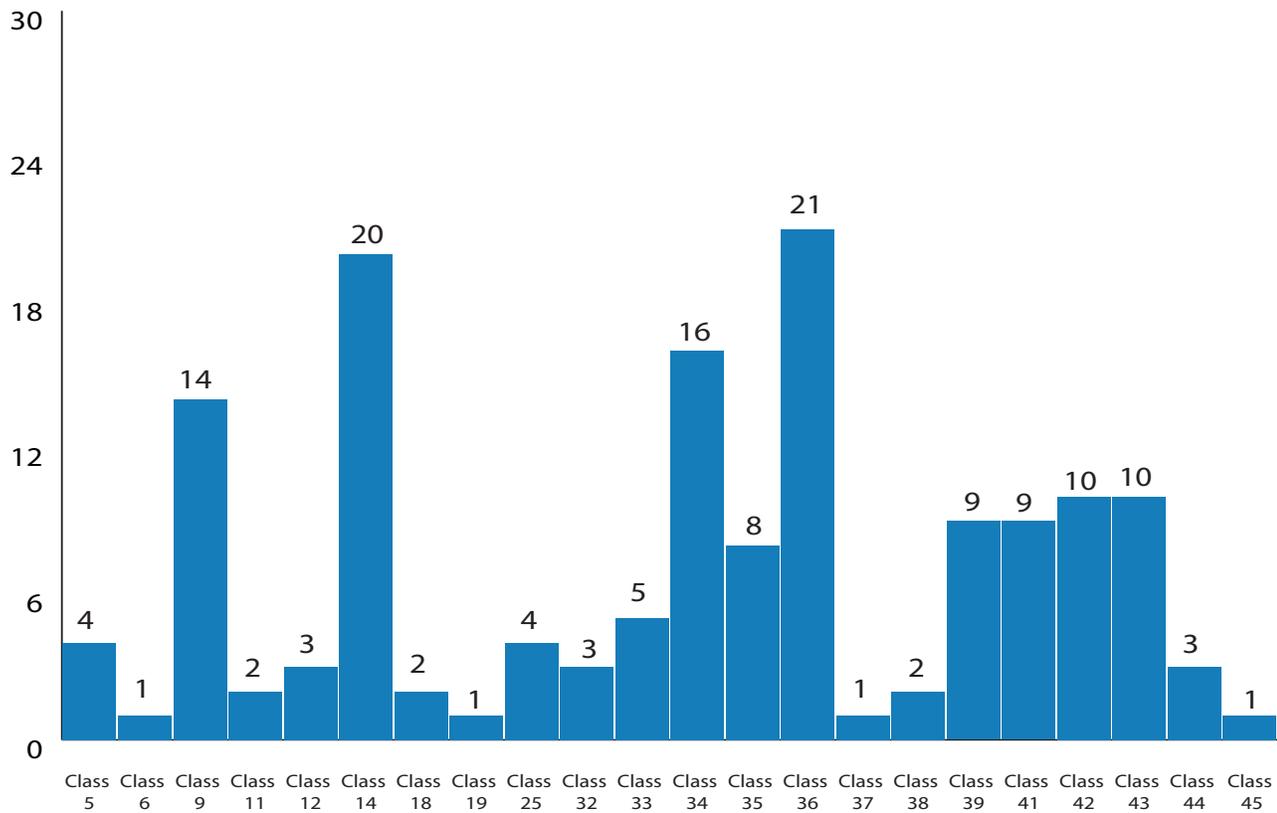
Since the enactment of the Trade Marks Act, 2013 (September, 2015) over 1,000 new applications to register a Trade Mark have been filed<sup>3</sup>.

*Chart D below details the Total Number of New Applications to Register a Trade Mark filed from 2017-2019 under the Trade Marks Act, 2013.*



<sup>3</sup> It may take up to 3 months for a Trade Mark to be registered after the submission of an application. The submission of an application is not a guarantee that a Trade Mark will be registered.

Chart E details the Frequency of Trade Mark Classes Registered Under the Trade Marks Act, 2013.



The above frequency chart details the most popular Trade Mark Classes registered in Q4 2019. Classes 36, 14, 34 and 9 are the top 4 Trade mark classes for Q4 2019. Trade Mark Classes are designated under the Nice Classification (NCL) System. A description of all the classes may be accessed at [www.wipo.int/classifications/nice/en/](http://www.wipo.int/classifications/nice/en/). The World Intellectual Property Organisation (WIPO) class index lists classes 1-34 as goods and classes 35-45 as services.

Chart F details the Top 4 Popular Nice Classifications for Q3 2019.

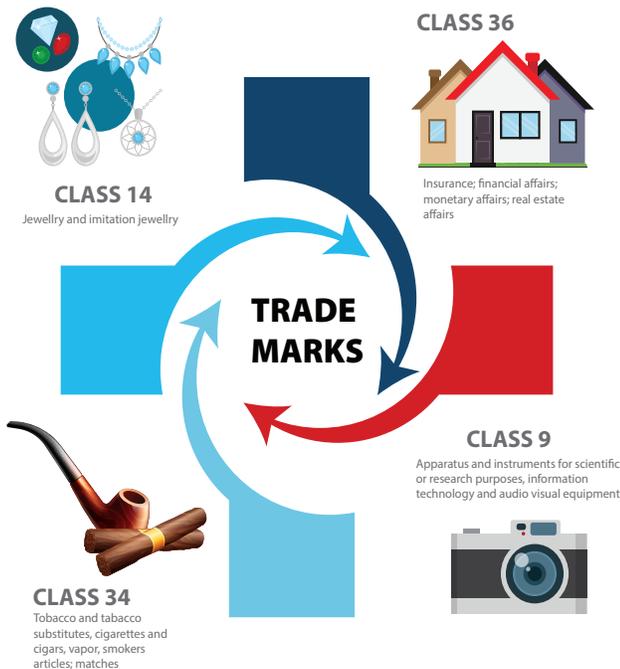


Table 5 below details Post Registration Transactions for Trade Marks.

Transactions	Q4 2019	Q3 2019	Q4 2018
Change of Name/Address/ Service or Agent Requests (TM19)	62	50	48
Renewal Requests (TM11)	36	26	26
Restoration Requests (TM11)	5	4	15
Application to Register Registrable Transaction other than license (TM13)	29	9	12
Search Requests (TM21)	27	38	14
Notice of Withdrawal (TM8)	1	2	3
Surrender Notices (TM12)	-	1	1
Request for copy of Extract (TM20)	1	6	5
<b>Total</b>	<b>161</b>	<b>136</b>	<b>124</b>

Change of Name/Address/Service or Agent Request is the most frequent post registration transaction for Q4 2019. This is followed by Renewal Requests. The total number of post registration transactions filed increased by 29.84% in Q4 2019 when compared to Q4 2018. The total number of post registration transactions filed increased by 18.38% in Q4 2019 when compared to Q3 2019.

Table 6 below details the Total Number of Registered Trade Mark Agents.

Q4 2019	Type of Trade Mark Agent			Total No. of Trade Mark Agents
	Individual	Legal Person	Partnership	
October	1	-	-	-
November	-	-	-	-
December	-	-	-	-
<b>Cumulative Total</b>	<b>9</b>	<b>13</b>	<b>2</b>	<b>24</b>

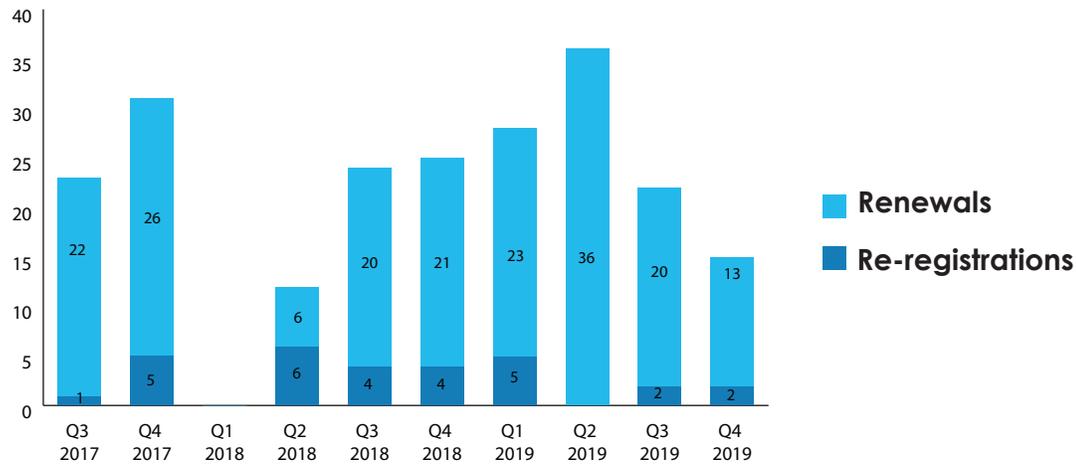
# Patents

The re-registration of UK Patents currently falls under the Registry of Corporate Affairs, in the Office of Trade Marks, Patents and Copyright.

*Chart G details the Number of Patents Re-registered by Quarter.*



*Chart H. below depicts the Number of Patents Re-registered over a 2 year Period (2017-2019).*



# Banking, Insolvency and Fiduciary Services

Chart I indicates the Total Number of Entities holding a Banking Licence.



The following Balance Sheet and Financial Stability Indicators are representative of all commercial Banks in aggregate. All monetary values for the Banking Industry are recorded in USD '000s.

Table 7 indicates Selected Balance Sheet Items in USD '000s.

Selected Balance Sheet Items	Q4 2019	Q3 2019	Q4 2018
Cash Items	\$822,648	\$768,905	\$909,171
Loans & Advances	\$1,393,466	\$1,370,254	\$1,266,433
Investments	\$12,786	\$12,811	\$5,459
Total Other Assets	\$193,444	\$178,474	\$167,662
Total Assets	\$2,437,854	\$2,346,926	\$2,358,725
Deposits	\$2,068,352	\$1,970,667	\$2,039,499
Long Term Debt	\$47,251	\$45,698	\$57,955
Accrued Liabilities	\$10,710	\$11,526	\$8,850
Other Liabilities	(\$258,585)	(\$235,261)	(\$275,170)
Loss Reserves	\$18,287	\$16,935	\$17,122
Total Liabilities	\$1,886,015	\$1,809,565	\$1,848,256
Total Shareholder's Equity	\$551,839	\$537,361	\$510,469

**Balance Sheet Analysis** - the banking sector's total asset size this quarter at approximately \$2.44 billion showed a small (3.87%) increase from the previous quarter.

The balance sheet experienced changes quarter over quarter as:

**Cash items** increased by 6.98% quarter over quarter due to seasonality and/or the level of activity by the general public, to meet projected commitments and other liquidity demands, and fluctuations in balances held with inter-company accounts.

**Loans and Advances** increased marginally to \$1.39 billion whilst Investments remained relatively flat at \$12.8 million

**Other Assets** increased by 8.39% quarter over quarter from \$178.4 million to \$193.4 million due to the fluctuation of inter-office activity.

**Deposits** increased by 5% quarter over quarter due to general increase in customer deposits

**Longer Term** debt increased 3.39% quarter over quarter

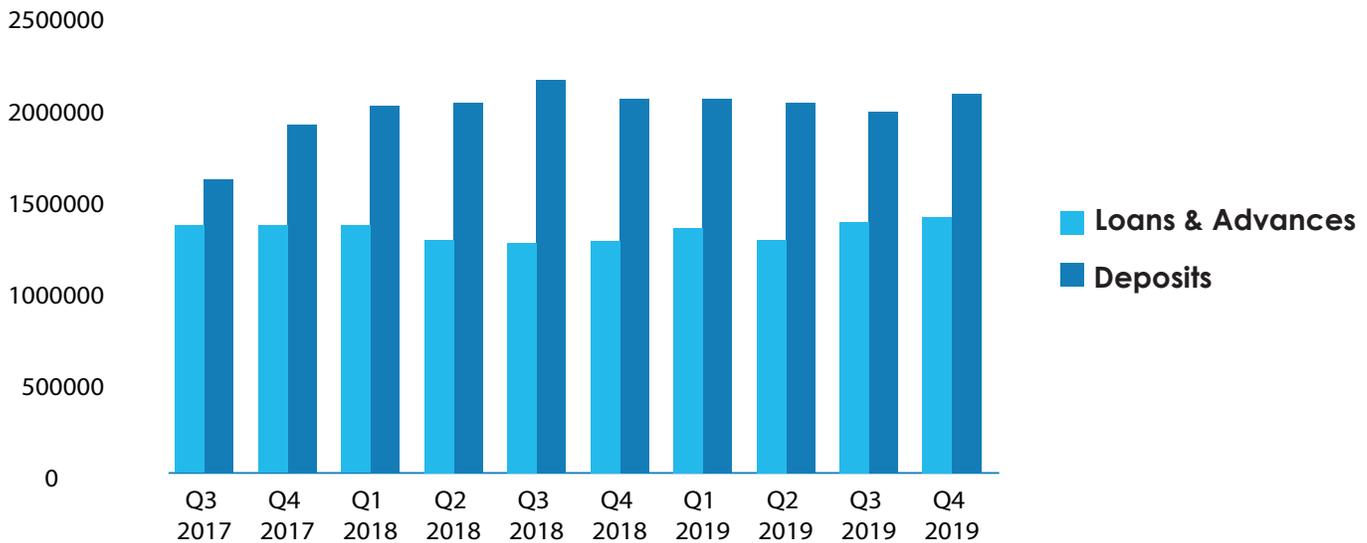
**Accrued Liabilities** reduced from \$11.53 million to \$10.71 million quarter over quarter.

**Other Liabilities** decreased by 9.9% quarter over quarter due to the fluctuation of balances held on inter-company accounts (due to Head Offices and Branches).

**Loss Reserves** increased by 7.98% from \$16.94 million to \$18.29 million due to lower provisioning for potential loan losses.

**Total Shareholder's Equity** increased by 2.69% quarter over quarter due mainly to earnings being retained and added to capital.

*Chart J details Total Loans and Deposits over a 3 year Period (2017-2019) in USD'000s.*



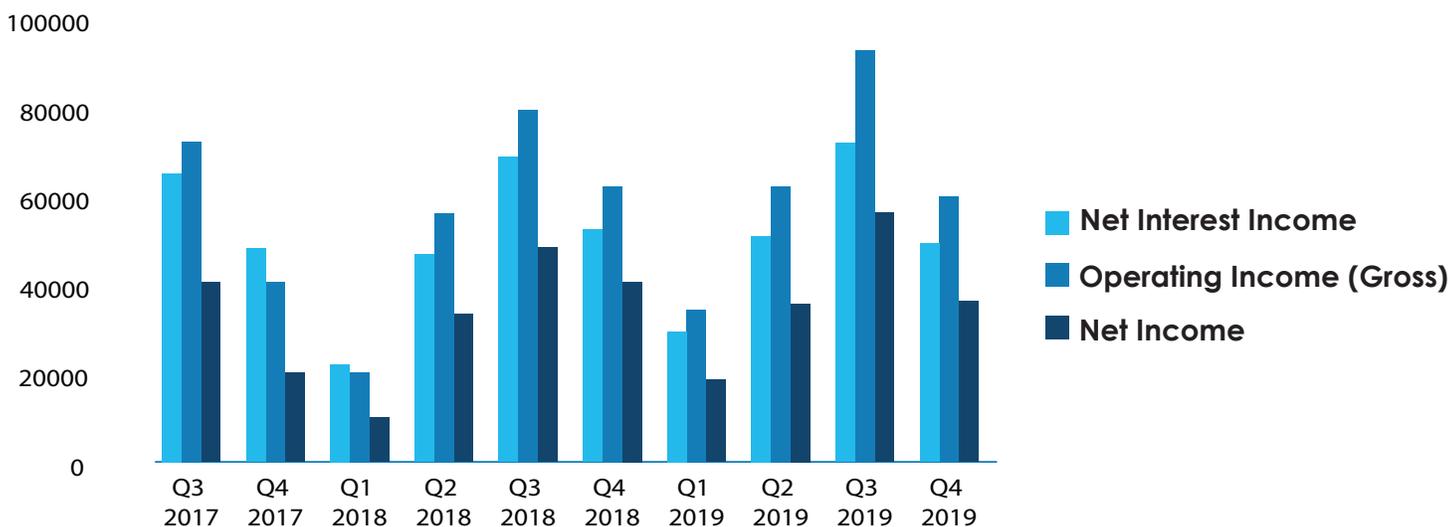
Total Deposits increased by \$28,853 (1.41%) in Q4 2019 when compared to total deposits in Q4 2018 and by \$97,685 (4.96%) when compared to Q3 2019. Deposits consistently remain above Loans and Advances.

*Table 8 provides selected items from the Statement of Income for Licensed commercial BVI Banks.*

	Q4 2019	Q3 2019	Q4 2018
Net Interest Income	\$49,216	\$71,876	\$52,390
Operating Income (Gross Income)	\$59,760	\$92,667	\$62,049
Net Income	\$36,170	\$56,082	\$40,557

The Net Interest Income recorded for all commercial banks decreased by 6.06% in Q4 2019 when compared to Q4 2018. Net Interest Income increased by 31.53% in Q4 2019 when compared to Q3 2019. Net Income decreased by 10.82% in Q4 2019 when compared to Q4 2018 and decreased by 35.51% when compared to Q3 2019.

Chart K Details Net Interest Income, Operating Income Gross and Net Income over a 3 year Period (2017-2019).



The above chart indicates a consistent pattern in the amount of Net Interest Income, Operating Income (Gross) and Net Income over a two year period (2017-2019). Q3 in each given year out-performs the other quarters while Q1s are the lowest performing among the quarters.

Table 9 below provides Solvency Indicators for Licensed commercial BVI Banks.

Solvency	Q4 2019	Q3 2019	Q4 2018
Adjusted Risk-weighted Assets	\$1,295,578	\$1,260,878	\$1,198,061
Risk-asset Ratio	43.01%	42.90%	43.72%
Net Income	\$36,170	\$56,082	\$40,557

Adjusted Risk-weighted Assets recorded for all commercial banks increased by 8.14% in Q4 2019 when compared to Q4 2018. Adjusted Risk-weighted Assets increased by 2.75% in Q4 2019 when compared to Q3 2019.

Chart L below depicts the Risk Asset Ratio over the course of 3 years.

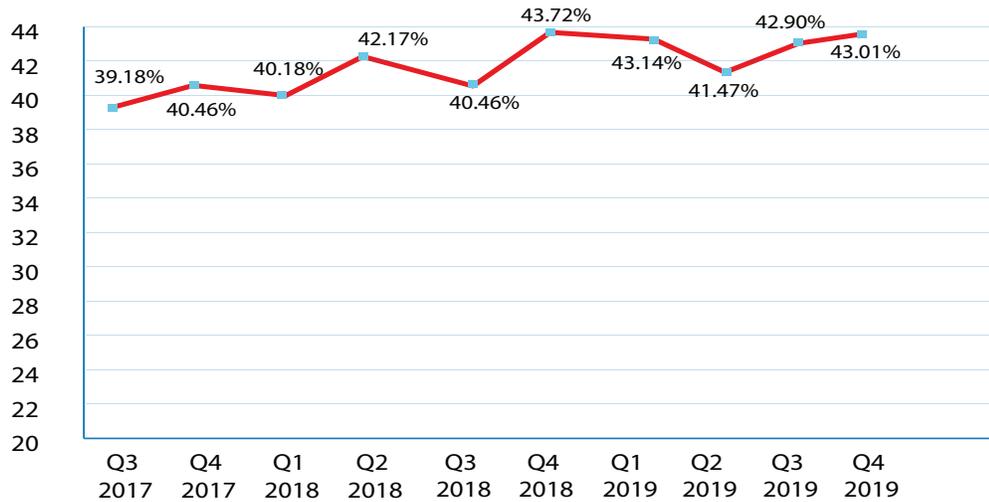


Table 10 below provides selected Asset Quality Indicators for Licensed commercial BVI Banks.

Asset Quality in USD '000s	Q4 2019	Q3 2019	Q4 2018
Total Non-Performing Loans	\$98,813	\$103,065	125,575
Non-Accruing Loans	\$84,508	\$96,453	83,811
Non-Performing Loans as a percentage of Total Loans	7.77%	7.89%	9.87%
Loan Loss Reserves	\$18,287	\$16,935	17,865

Total Non-Performing Loans in Q4 2019 decreased by 21.31% when compared to Q4 2018 and by 4.13% when compared to Q3 2019. Loan Loss Reserves increased by 2.36% in Q4 2019 when compared to Q4 2018. They increased by 7.98% when compared to Q3 2019.

Table 11 below provides selected Profitability Indicators for Licensed commercial BVI Banks.

Profitability	Q4 2019	Q3 2019	Q4 2018
Return on Assets	1.48%	2.39%	1.72%
Return on Equity	6.49%	10.37%	7.89%
Profit Margin	60.16%	67.00%	68.44%
Net Interest Margin to Gross Income	82.36%	77.56%	84.43%
Non-Interest Expense to Gross Income	39.92%	39.75%	35.37%

Table 12 below provides Selected Items: Concentration & Sensitivity to Market Risk for Licensed commercial BVI Banks.

Concentration	Q4 2019	Q3 2019	Q4 2018
<b>Deposits</b>			
Ten (10) largest depositors as a percentage of total deposits	34.80%	32.13%	29.57%
Demand Deposits as a percentage of total deposits	37.10%	33.35%	34.56%
Related Deposits as a percentage of total deposits	0.06%	0.13%	0.07%
<b>Loans</b>			
Ten (10) largest loans as a percentage of total loans	15.10%	15.41%	16.95%
Market loans as a percentage of total loans	65.65%	60.46%	74.51%
Related loans as a percentage of total loans	47.42%	45.85%	43.34%
<b>Sensitivity to Market Risk</b>			
Net Open Position in USD '000s	285	284	116
Net Open Position as a percentage of Capital	0.05%	0.05%	0.02%

## Financing and Money Services

Chart M below details the total number of Money Services Business and Financing Business Licensees.



The following tables provide Balance Sheet and Financial Stability indicators in exact USD for the Money Services Business Sector.

*Table 13 below indicates Selected Balance Sheet Items for the MSB Sector.*

	Q4 2019	Q3 2019	Q4 2018
Cash Items	\$3,052,512	\$843,791	\$376,464
Total Assets	\$5,211,368	\$3,156,201	\$2,584,618
Total Liabilities	\$3,503,596	\$1,576,997	\$1,452,239
Total Shareholders' Equity	\$1,707,772	\$1,579,204	\$1,132,379

*Table 14 below indicates Financial Stability Indicators for the MSB Sector.*

	Q4 2019	Q3 2019	Q4 2018
Current Ratio (Current Assets to Current Liabilities)	150.79%	241.37%	212.62%
Current Assets to Total Assets	82.86%	71.29%	67.18%
Net Profit Margin	27.07%	33.96%	28.86%
Return on Assets	2.47%	4.92%	5.31%
Return on Equity	7.53%	9.84%	12.11%

*Table 15 below provides totals for money transmitted to and from the BVI by MSBs – By Quarter.*

Amount Received for Transmission:	Q4 2019	Q3 2019	Q4 2018
From the BVI to Foreign Countries	\$22,479,076	\$21,686,715	\$23,028,098
To the BVI from Foreign Countries	\$1,553,091	\$1,432,452	\$1,785,633
<b>Number of Transactions</b>			
From the BVI to Foreign Countries	65,132	61,723	68,801
To the BVI from Foreign Countries	4,290	4,025	4,173

All reported figures for MSBs are in exact USDs.

## Fiduciary Services

Table 16 indicates the number of Fiduciary Services Licensees by Quarter.

Fiduciary Services Licensees Q3 2019	Licensees as at 30 <sup>th</sup> September 2019	Q4 2019 Licences Issued	Q4 2019 Licences Re-classified	Q4 2019 Licences Cancelled	Licensees as at 31 <sup>st</sup> December 2019
Class I Trust	59	1	1	-	59
Class II Trust	24	5	1	-	28
Class III*	18	2	-	-	20
Restricted Class II Trust	55	8	-	3	60
Restricted Class III*	44	30	-	-	74
Company Management	18***	-	-	-	18
Authorised Custodian	3	-	-	-	3
<b>Total</b>	<b>221</b>	<b>46</b>	<b>2</b>	<b>3</b>	<b>262</b>

\* Pursuant to the Banks and Trust Companies (Amendment) Act, 2018, "Class III Trust Licence" was changed to "Class III Licence" and "Restricted Class III Trust Licence" was changed to "Restricted Class III Licence"

\*\* The uptick in the number of licences issued is mainly due to the exercise to remove subsidiaries from licensees' licences.

\*\*\* Note: This is an adjusted figure.

Table 17 provides Post Licensing Transactions for Fiduciary Services Licensees for Q4 2019.

Q4 2019 Post Licensing Transactions	October	November	December	Total
Change in Authorised Agent	3	2	3	8
Change in Undertaking	1	9	5	15
Removal of Subsidiary	4	1	2	7
Change in Ownership/Shareholding*	4	4	-	8
Merger	-	-	-	-
Change of Name	-	1	-	1
Change in Principal Office	-	-	-	-
Cancellation of Licence	-	3	-	3
Exemption from the requirement to submit audited financial statements	-	1	-	1
Change of Auditor	-	-	2	2
Extension to Submit Audited Financial Statements	1	-	3	4
Voluntary Liquidation/Appointment of a Liquidator	-	6	-	6
Other	1	3	-	4

\*Change in Ownership/Shareholding includes acquisitions, imposition of share pledges and charges on shares.

## Insolvency Services

Table 18 provides the Total Number of Insolvency Practitioners in the first quarter of the given year.

Total Number of Insolvency Practitioners (full and restricted licences)	
Q4 2019	28
Q4 2018	27
Q4 2017	27

Table 19 below indicates the total number of Insolvency Practitioners with a full and restricted licence.

Current No. insolvency Practitioners (IP) Licensees	Q4 2019	Q3 2019	Q4 2018
Current # of licence IP's (full licence)	28	26	27
Current # of licence IP's (restricted licence)	0	-	-
<b>Total No. of IP's</b>	<b>28</b>	<b>26</b>	<b>27</b>

## Investment Business

Table 20 provides the Number of New Investment Business Licensees by Quarter.

	Q4 2019	Q3 2019	Q4 2018	Total as at 31 <sup>st</sup> December 2019
Investment Business Licences	-	2	2	383
Authorised Representatives	-	-	1	49
Approved Investment Managers	13	16*	13	281

\*This figures is adjusted from the previously reported figure.

Table 21 below provides the number of Investment Business Licences by Sub-category as at the end of September 2019.

Investment Business Licence by Sub-category*	Total Licences at 31 <sup>st</sup> December 2019
Category 1 Sub-category A – Dealing as Agent	22
Category 1 Sub-category B – Dealing as Principal	28
Category 2 – Arranging Deals in Investments	22
Category 3 Sub-category A – Managing Segregated Portfolios (Excluding Mutual Funds)	7
Category 3 Sub-category B – Managing Mutual Funds	316
Category 3 Sub-category C – Managing Pension Schemes	4
Category 3 Sub-category D – Managing Insurance Products	1
Category 3 Sub-category E – Managing Other Types of Investment	47
Category 4 Sub-category A – Investment Advice (Excluding Mutual Funds)	32
Category 4 Sub-category B – Investment Advice (Mutual Funds)	9
Category 5 Sub-category A – Custody of Investments (Excluding Mutual Funds)	12
Category 5 Sub-category B – Custody of Investments (Mutual Funds)	-
Category 6 Sub-category A – Administration of Investments (Excluding Mutual Funds)	18
Category 6 Sub-category B – Administration of Investments (Mutual Funds)	51

\*The number of Investment Business licenses as at 31 December, 2019 was 383. (See table 20). Table 21 breaks down the number of Investment Business licenses into sub-categories. It is important to note that 1 Investment Business licence may fall under more than one sub-category.

Table 22 below details the Number of New Funds Registered by Quarter.

	Q4 2019	Q3 2019	Q4 2018	Total at 31 <sup>st</sup> December 2019
Professional	5	9	23	920
Private	1	1	5	319
Public	-	-	-	33
Foreign	-	-	-	6
Incubator	5	-	9	79
Approved	6	8	9	122
<b>Total</b>	<b>17</b>	<b>18*</b>	<b>46</b>	<b>1,479</b>

\* This figure is adjusted from the previously reported figure.

Chart N indicates the Total Number of Active Mutual Funds for (2016 - 2019).

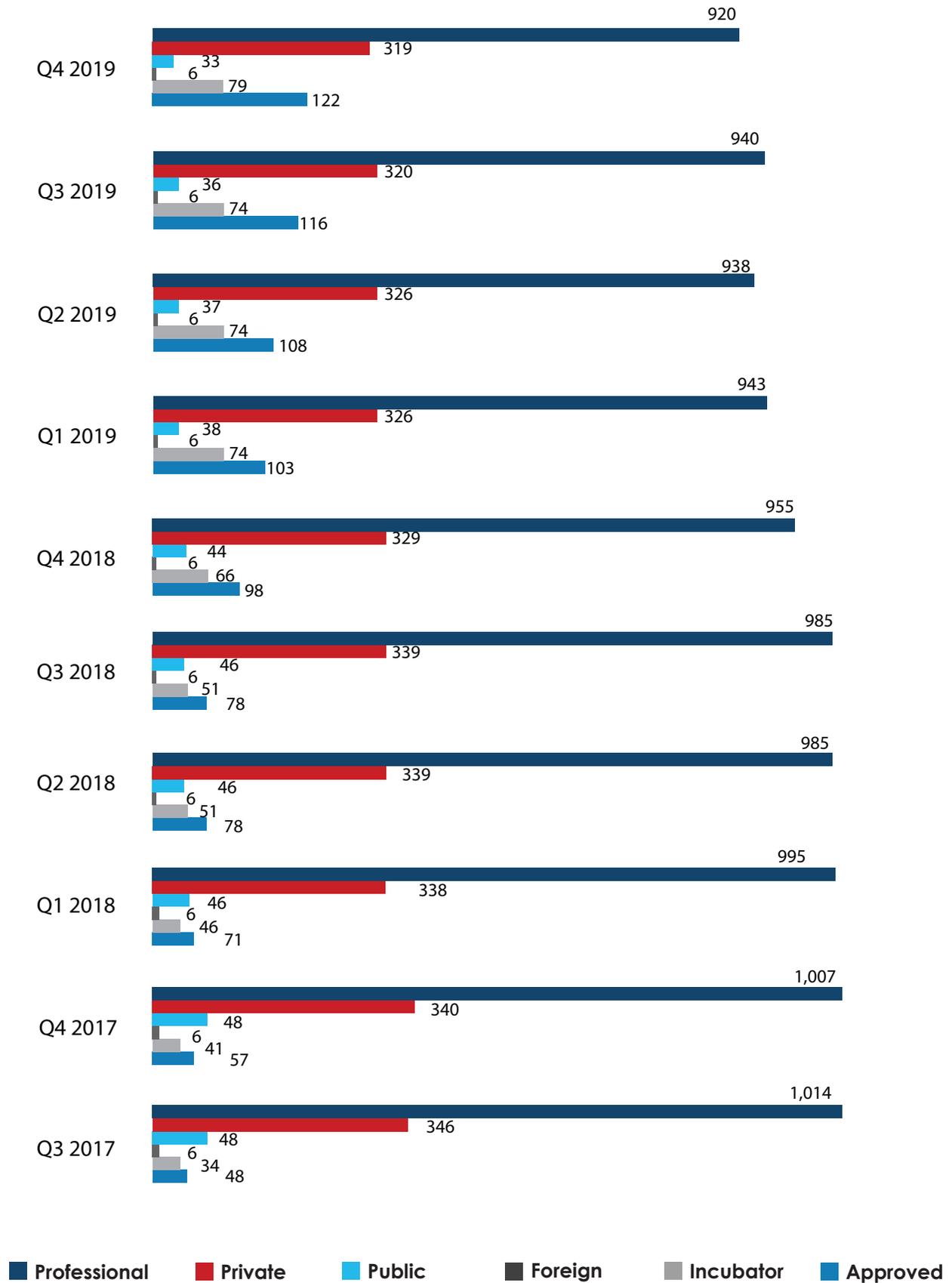


Table 23 below indicates the number of Mutual Funds Incorporated or Re-registered as an SPC.

	Q4 2019		Q3 2019		Q4 2018		Cumulative Totals (as at 31 <sup>st</sup> December 2019)
	Inc.*	Reg.*	Inc.	Reg.	Inc.	Reg.	
Certificates Granted- Professional Mutual Funds	-	-	-	-	-	-	89
Certificates Granted- Private Mutual Funds	-	-	-	-	-	-	27
Certificates Granted- Public Mutual Funds	-	-	-	-	-	-	6
Certificates Granted- Incubator	-	-	-	-	-	-	-
Certificates Granted - Approved Fund	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	<b>122</b>

\* Inc. - Incorporated.

\* Reg. - Registered

# Insurance

Table 24 below indicates the Total Number of Insurers and Functionaries by Quarter.

Insurance Licensees and Functionaries	Licensees as at 30 <sup>th</sup> September 2019	Q4 2019 Licences Issued	Q4 2019 Licences Cancelled	Licensees as at 31 <sup>st</sup> December 2019
<b>Insurers</b>				
Captive Insurers	65	-	1	59
Domestic Insurers	39	-	-	39
<b>Functionaries</b>				
Agents	14	-	-	14
Brokers	4	-	-	4
Insurance Managers	9	-	1	7
Loss Adjusters	16	-	-	16

Table 25 below indicates the number of Insurance Post Licensing Transactions for Q4 2019.

Insurance Q4 2019 Post Licensing Transactions	Total
Cancellation of Licence - Insurers	2
Approval of Director's and Senior Officers	2
Approval of Liquidation and Liquidator	1
Change of Licensee's Name	1
Notification of Licensee's issued of Non-significant Interests	2
Approval for the Transfer/Acquisition of Shares/Re-organisation of Ownership Structure	3

## Approved Persons Unit

The Approved Persons Unit falls under the office of the Deputy Managing Director, Regulation and primarily processes applications of senior officers, including directors, compliance officers and money laundering reporting officers (MLROs). Table 26 below indicates the number of approved persons appointments for Q4 2019.

*Table 26 Approved Persons Appointments.*

2019 Approved Persons Appointments	
Transaction	Total
Appointment of Director	24
Appointment of Compliance Officer	2
Appointment of Compliance Officer and Money Laundering Reporting Officer	22
Appointment of Senior Officer	14
Appointment of Auditor	2

## Enforcement

The Enforcement Committee is responsible for determining and administering enforcement action on licensees for any contravention or breach of financial services legislation. Enforcement actions range from warning letters to complete license revocation. In Q4 2019 a number of enforcement actions were levied, notably: 1 notice of imposed administrative penalty, 3 public statements and 2 warning letters.

## Onsite Inspections

Onsite inspections are conducted by the Compliance Inspection Unit. The Unit conducts full scope and thematic inspections on all licensees on a periodic basis. The Onsite Inspection Programme is ongoing. 1 full scope inspection was concluded within Q4 2019 of a Banking Licensee. 5 Thematic inspections were concluded in Q4 2019 for 3 Insurance Entities and 2 Investment Business Licensees.

Chart O below indicates the total number of inspections conducted from 2015-2019 for which close-out meetings were held in the given year.

### Total Number of Inspections Conducted from 2015-2019



\*The total number of inspections for 2017 is adjusted to reflect the count from Q2 2017. Inspections conducted for 2017 include: Q1:7; Q2:8; Q3:2; Q4:0.

\*\* Refers to the total inspections concluded up until Q3 2019. Inspections are concluded based on the quarter in which the close-out meeting is held.

## Ongoing Supervision

The Licensing and Supervisory Committee's (LSC) functions are to receive, review and determine applications for authorisations, licences, registration and recognitions under any Financial Services legislation. The LSC supervises regulated persons to ensure that they continue to satisfy the fit and proper criteria for the conduct of financial services business. Table 27 below indicates the number of matters brought to the LSC by the various Divisions within the Commission.

Table 27 below indicates the number of Matters Referred to the LSC in Q4 2019.

Matters Referred to LSC in Q4 2019*				
	October	November	December	Total
Banking, Insolvency and Fiduciary**	214	56	48	318
Investment Business	18	1	9	28
Insurance	7	2	9	18
Policy, Research & Statistics	-	-	-	-
Registry***	-	1	-	1

\*Figures include a series of approvals, refusals and cancellations reviewed by the Licensing and Supervisory Committee

\*\*The Insolvency Division merged with the Banking and Fiduciary Services Division in February 2016.

\*\*\*Since the enactment of the Trade Marks legislation, decisions such as applications to become a Trade Mark Agent are decided at the LSC.

## International Cooperation

Table 28 below records the number of incoming and outgoing requests for information. Requests are classified as formal or informal. Within the context of the Financial Services Commission's International Cooperation obligations, formal requests for information refers to requests for information made or received consistent with a specific MoU or MMoU signed by the Financial Services Commission and a foreign regulatory authority and other requests made or received where there is a duty to cooperate requiring the sharing of documents and information permitted under the BVI Financial Services Commission Act, 2001 (as amended).

Table 28 Incoming and Outgoing Requests for Information.

Legal and Enforcement Division Statistics			
	Q4 2019	Q3 2019	Q4 2018
Formal Incoming Requests	46	51	8
Informal Incoming Requests	-	3	-
Formal Outgoing Requests	-	1	1
Informal Outgoing Requests	-	-	-

